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THE MONEY MARKET.

OVER the week-end and early this week money was easy, rates of 1¼ and 1½ per cent. being common for both new money and renewals. There was a fairly heavy turnover of money at the end of the month, but this did not lead to any stringency, and on Monday and Tuesday 5 per cent. Conversion Loan dividend payments accentuated the ease. On Wednesday, initial payments for the new

Treasury Bond issue depleted supplies of money, and both the money market and the Stock Exchange borrowed a fair amount from the clearing banks at 2 per cent. Outside lenders were also able in some cases to secure 2 per cent., though elsewhere 1¾ per cent. was the general rule. On Thursday, money became easier at 1½ and 1¾ per cent. It was reported on the same day that a fair amount of money was available outside the clearing banks for a week at 1¾ per cent.

* * * *

For the second week in succession the market largely missed the Treasury bill tender. On April 29th tenders for £40 millions were invited, and applications for £71.4 millions were received. It was decided, however, to cut £5 millions off the original offer, and the market obtained only part of its requirements. The average tender rate was £1 17s. 1.81d. per cent., against £1 16s. 3.92d. per cent. in the preceding week. Subsequently a keen demand for "hot" Treasury bills sprang up at 1 1/16 per cent., a rate which eased by Thursday of this week to 1⅛-2/32 per cent., partly because the clearing banks were also buyers of late July and August Treasury bills at 1 2/32 per cent. Three months' bank bills were quoted at 2 per cent. in competition, but sales to meet a Continental demand were effected at 1⅞ per cent. German standstill bonds were quoted at 2½-3 per cent.

* * * *

The Treasury Bond issue had a dubious reception in the money market, largely because it was not an entirely suitable form of security. The banks, however, are inclined to rank the new bonds as "floaters," in the sense that they will accept them as collateral up to their usual limit for bonds. Even so, it was only the large houses that applied at all freely for the bonds, and they did so partly out of a sense of duty, and partly because the prevailing and growing dearth of commercial bills has deprived them of their normal means of employment for their funds. The average yield on the new bonds is about 3 7/16 per cent., which for the moment is relatively attractive.

	Apr. 14, 1932.	Apr. 21, 1932.	Apr. 28, 1932.	May 5, 1932.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate	3½	3	3	3	3½ (Apr. 21, '32)
Banks' Deposit Rate..	1½	1	1	1	1½ (Apr. 21, '32)
Discount Houses { Call	1½	1	1	1	1½ (Apr. 21, '32)
Discount Houses { Notice ...	1½	1½	1½	1½	1½ (Apr. 21, '32)
Market rate ("hot" Treasury bills).....	2-2 1/32	1 31/32	1½	1½-5/8	...
Market rate (3 months' bank bills)	2 1/32-⅛	2 1/32-⅛	2-2 1/32	2	...
Market rate (standstill bills)	2½-3½	2½-3	2½-3	2½-3	...

* * * *

It remains to be seen if the issue has any lasting effect upon the supply of money. There seems little doubt that a large part, perhaps as much as half, of the present issue has been taken up by Government Departments; and if the net result is that the bonds replace Ways and Means Advances by Public Departments, it is difficult to see that the operation becomes anything more than a matter of inter-departmental bookkeeping. To the extent that the bonds have been taken up by the public, payments for them will reduce the supply of money, though the repayment of the 1931-33 Treasury Bonds and also any consequent redemption of Treasury bills will be off-setting factors. It is not thought in the market that any portion of the proceeds of the issue will be immediately diverted to the Exchange Equalisation Account, but it is believed that last week's Treasury bill allotment was reduced in order to divert money into the Treasury Bond issue.

* * * *

This week's Bank return reflects mainly the Conversion Loan dividend payments, for Public Deposits are reduced by £18.3 millions, and Bankers' Deposits increased by £16.3 millions. The note circulation has also risen by £3.3 millions, so that the Reserve is reduced by the same amount. The Bank has added slightly to its earning assets, Government Securities having risen by £4.3 millions and Other Securities by £4.6 millions. The Bank has lately been buying early June Treasury bills at 1 1/16 per cent., and it is believed that, notwithstanding the prevailing ease, this special buying has saved the market from the need of having to borrow heavily at the clearing banks.

* * * *

The other important event of the week has been a sudden break in the New York exchange. At one time the rate rose as high as $3.69, but at this point official intervention took place—it is believed, on a large scale—and the rate was brought back to $3.67⅛, where it was held. The break was caused by widespread Continental distrust of the American position, loss of confidence in the stability of the dollar being intensified by speculative activities. The panic was undoubtedly exaggerated, but it has to be remembered that, though America possesses enough free gold to meet foreign withdrawals, she could not simultaneously meet an internal encashment of her currency. The forward rate has also suddenly widened from ⅛ to 2⅛ cents discount for three months' dollars. This is further evidence of the prevailing lack of confidence, but it also suggests that the movement of short money from New York to London for investment purposes may once more be intensified.

* * * *

Money rates on Wall Street have remained unchanged, with call money at 2½ per cent., and 90-day bankers' acceptances at 1-⅞ per cent. The Reserve Banks are continuing their policy of easing money through purchases of U.S. Government Securities. They bought a further $113 millions last week, which brings the total increase in these holdings during the past three weeks to $303 millions. Still, the statement of the condition of reporting member banks issued a week ago showed a continued liquidation of loans secured by stock market collateral, and this somewhat offsets the Reserve Bank's operations. Gold imports for the week include $1,000,000 from Canada and $1,105,000 at San Francisco from China. Exports to France and other Continental countries totalled $14,000,000, and earmarkings on foreign account have risen by $7,895,000.

* * * *

The Foreign Exchange market was fairly active this week. In the earlier stages sterling fluctuated a good deal, but steadied at the close, and was little changed on balance against most currencies. On Wednesday the dollar broke sharply on heavy selling from Paris and New York, as a result apparently of fears of possible inflation in the United States. On balance, New York weakened by ⅛ to 3.67½, after touching 3.69. Montreal gained three points at 4.10. Paris improved by ⅛ to 93½, after touching 92½. Brussels was firmer at 26.15. Milan gained ¼ at 71⅛, and Madrid 13/16 at 46 5/16. Amsterdam went from 9.06 to 9.04, and Berlin from 15.42 to 15.43. Switzerland was considerably better at 18.75. The Scandinavian currencies were steadier and firmer than of late, Stockholm gaining 10 points at 19.90, and Oslo being unchanged at 19.75, but Copenhagen fell away from 18.23 to 18.30. The South American currencies were fairly steady. Montevideo was unchanged at 29½d., and Rio gained ⅛d. at 4½d., but Buenos Aires lost ⅛d. at 36d. In the Far East the rupee was less firm, and weakened by 1/32d. to 1s. 5 15/16d. The yen again improved, and at 1s. 9⅝d. was ⅛d. better on the week. Batavia gained three points at 9.10. In the forward market the discount on one month's dollars widened from ⅜ to ½ cent, and on three months from ⅝ cent to 2⅛ cents. Paris was firm at 5 and 15 centimes premium. Brussels went from par for both deliveries to 1 and 3 centimes discount for one and three months' respectively. Milan was firmer at ⅜ and ⅝ centesimi discount, and Madrid was unchanged at discounts of ⅛ and 2 centimos. Amsterdam one month went from ⅛ cent premium to par, three months being unchanged at ⅛ cent discount. Switzerland remained at last week's quotations of 2 and 4 centimes premium for the two periods respectively. The silver market was fairly active, but demand was easily satisfied. China operated both ways, but was chiefly a seller, and, as a result, prices fell away by ⅛d. for both deliveries, to 16⅜d. for cash and 16⅛d. for forward. The China silver exchanges moved in sympathy, Hongkong declining by ⅛d. to 1s. 3¼d. and Shanghai by ⅛d. to 1s. 7⅛d.

FACTORS IN RECOVERY.

I. MONETARY POLICY.

In emphasising last week the desirability of clearer formulation of constructive policy by the British Government in relation to the world crisis, we had in mind the urgent need of assurance that the Government are preparing to act, all along the line, in directions calculated to induce and foster the factors making for world recovery. Of these factors—selecting the essentials in a many-sided problem—we would place first the recovery of wholesale commodity prices, and particularly those of the products of countries which are large producers of raw produce, to the level of, say, three years ago. Failing such a development, or unless the remuneration of labour in terms of money, as well as the burden of industrial and other fixed charges, can be drastically reduced—and in few countries is a reduction of such dimensions politically practicable—enterprise will continue to languish unremuneratively and the world will be faced with defaults on a scale whose repercussions would be disastrous.

Premising, then, the desirability of a rise of, say, 30 per cent. in the level of wholesale praices, the contribution which the British Government can make to the realisation of this objective depends on its pursuance of a definite monetary policy on lines most aptly described on the other side of the Atlantic as "forward-looking." So far, there is no sign even of the adumbration of such an attitude. Spokesmen of the Government have expressed satisfaction at so many diverse monetary happenings—the "salvation" of the pound from collapse, the absence of any rise in sterling prices, the assumption by the Treasury of powers to prevent "undue appreciation" of the currency—that it is difficult to believe that the Cabinet has yet made up its mind what effects it desires, with the collaboration of the Bank of England, to produce, or by what means. It is an omission which, we trust, will be swiftly made good. The longer uncertainty in this connection persists, the more tardy will be the fruits of even the wisest measures which may ultimately be adopted.

Before coming to the question what our declared monetary policy should be, we must admit frankly that, as matters stand, decisions taken to-day are bound to be provisional, and that lines of prudent action, as we conceive them, lie necessarily in the direction of compromise. Moreover, as we have repeatedly pointed out in these columns, it is a fallacy to imagine either that unilateral action on our part in the monetary field will cure all our own ills, or even that concerted international monetary policy can by itself remove magically the world depression.

Let us elaborate briefly these limitations. Firstly, there will be something like unanimity of opinion that until the reparations and war debts issue is settled, international commerce relieved of its present abnormal restraints, the present mal-distribution of the world's gold supplies redressed, and agreement reached as to future parities appropriate to the price levels of various countries, it would be premature for any decision to be taken whether we shall return, or at what exchange rate, to the gold standard. Our policy, therefore, requires at present to be related, *ad hoc*, to the near future, subject to revision in the light of eventual developments.

Secondly, as the world's greatest trading country, we have to remember that fluctuations in exchange rates may present an obstacle to international commerce just as formidable in its reactions on industry as instability of prices. We cannot afford, therefore, in monetary policy to play, without qualification, the rôle of "the Cat who walks by herself." Not only so, but it has to be remembered that whereas an appreciation of the pound would benefit our exporters and increase the difficulty of foreign debtors in meeting their obligations, so a depreciation of sterling would not only involve a transfer of real wealth to Great Britain as a creditor country, but intensify the collapse of prices in

Clearly between the two desiderata of higher sterling commodity prices (in so far as they are not paralleled by higher "gold" prices) and reasonably stable sterling exchange rates, a balance has to be struck. We cannot have it both ways. Nor, indeed, should we do well either to ignore altogether the dangers inherent in "reflation" set going on our initiative, or to pin our faith too confidently on the capacity of monetary policy to achieve all that we desire. Apart from the general consideration that in manœuvring the level of sterling exchange and the volume of our banking credit, we cannot afford wholly to disregard the risk of setting in motion a chaotic competition in international inflation, it is not completely certain that an injection of fresh banking credit into the economic system could be so directed as to affect exclusively or predominantly the prices of primary products which it is desired to raise, without inconvenient repercussions on other elements, such as wages, a rise in which would produce renewed disequilibrium. Admittedly, if credit expansion could overcome the present reluctance of the *entrepreneur* and lead to some revival of purchasing, the wholesale prices of primary products would be the first to rise; and their fall has so far outrun that of the cost of living and wages in recent years that much "slack" could be taken up before any increase in retail prices or wages need occur. Nevertheless, this difficulty of preventing an undesirable extension of the upward movement is not entirely negligible.

More important still is the consideration that, when all is said, monetary policy in relation to prices must be regarded not as an end, but as a means. That is to say, the benefits of a higher price level, greatly though such a development would relieve the problem of indebtedness, would not be conclusive unless higher prices removed, concurrently, existing defects in the economic, as opposed to the financial, structure. Except in so far as a recovery of wholesale prices facilitated the removal of existing obstructions to trade and changed the mentality that has governed economic policy for the last decade, it would not radically cure the world's ills. An essential step without which no monetary policy can possibly save the world is that a new and appropriate proportion should be established, not only between the production of one country and another, but also between the world's agriculture and its industry.

Finally, the difficulty has to be faced that, as the recent experience of the United States has demonstrated, it is one thing to reduce interest rates on short-term money and expand central bank credit, and quite another to generate willingness on the part of sound borrowers to undertake capital commitments in a situation dominated by psychological pessimism and lack of confidence in the future results of enterprise. Under existing conditions, the "calculated and controlled expansion and cheapening of the supply of money," for which the Midland Bank calls in its April-May *Review*, can easily be neutralised either by hoarding or, more simply, by the absence of any stimulus to foster circulation of the banking credit created.

For these and other reasons we should deprecate too great a reliance on purely monetary action as a nostrum for the whole of the world's troubles. But this is not to say that our authorities are therefore absolved from the duty of framing and enunciating their policy within the limitations which we have noted. The terms of their announcement, we suggest, should be somewhat as follows:—

> That this country desires a 30 per cent. rise in commodity prices; that it would welcome such a development, particularly if it occurred uniformly throughout the world; but that, if "gold" countries are not prepared to make this their aim, then our objective will be to work for some such price-rise with all countries ready

to associate themselves with the so-called "sterling area."

That the gradual restoration of prices will be encouraged by cheap money, but not by any violently inflationary means; and that the Exchange Equalisation Account will be utilised, meanwhile, to minimise disturbing *short-term* exchange fluctuations.

That to that end Bank rate will be reduced progressively to, say, 2 per cent., and kept at that figure for a prolonged period, *i.e.*, until demand for banking accommodation and new capital definitely revives to an extent which calls naturally for higher interest rates.

That *entrepreneurs* can be assured that until wholesale prices have risen by 30 per cent. (always provided there is no inflationary increase in other costs, *e.g.*, of labour, the policy of ultra-cheap money will be maintained; that a price-rise within the stated limits will not be considered to afford warrant for credit deflation; and that gradual *long-term* depreciation of the pound in terms of gold, as a consequence of a rise in sterling prices, will not deflect the authorities from their predetermined course of action.

In some such terms, we suggest, the British Government should frame its provisional monetary policy. But, as we have already indicated, declaration of policy is no less important than its formulation. Not until the Government has made known its intentions will the industrialist and the merchant in this country be able confidently to make plans for the future. Still more important, an official declaration of British monetary possibility is a condition precedent to the collaboration with us of other countries—in the Empire and without—whose authorities are looking to us for a lead, and whose closer association with us in the monetary field would be of the utmost value in the common pursuance of the many other objectives on which world recovery depends.

U.S.A. AND THE WORLD.

Two authoritative and significant pronouncements on American foreign policy have been made within the last few days. On April 30th, the American Secretary of State, Mr Stimson, made a statement to American journalists at Geneva at the close of his visit to Europe and on the eve of his return to the United States. Ten days earlier, in the Senate at Washington, the Chairman of the Senate Committee on Foreign Relations, Senator Borah, had made a speech on inter-Governmental debts. The two pronouncements differ in tone and content and length. Mr Stimson's is short and vague and diplomatically conciliatory. Senator Borah's is reasoned and precise and senatorially uncompromising. Yet these pronouncements are not mutually incompatible; and it would not be surprising to learn that Senator Borah, as well as Mr Stimson, was expounding the State Department's policy. In fact, we shall not go far wrong if we regard Mr Stimson's statement and Senator Borah's speech as exhibiting two facets—the positive and the negative—of an identical outlook and intention.

Mr Stimson, in his parting message to Europe, deliberately struck the notes of solidarity and optimism. "The conversations which he had had with the leaders of numerous delegations had given him confidence in the final success of the Disarmament Conference." He took occasion to mention that he had also had valuable conversations on other subjects besides disarmament. "Each of his visits to Europe had demonstrated more and more the utility of personal contact with the Foreign Ministers of other States. These personal contacts were of the highest importance."

While this statement was manifestly diplomatic, there is no reason to suppose that it was not sincere; for it was entirely in line with a trend in American foreign policy which has been becoming increasingly prominent during the last few years and with which Mr Stimson himself has been personally associated throughout his tenure of the Secretaryship of State in President Hoover's Administration. This co-operative tendency declared itself under the Coolidge Administration, when the United States Government first joined in the work of the Preparatory Commission for the Disarmament Conference, and then took an initiative of its own in bringing about the conclusion of the Kellogg Pact. This independent American gesture for promoting "the collective system" of international security, which had previously been represented by the Covenant of the League alone, has been followed, since, by American collaboration with the League of Nations itself. The presence of an American representative at the sittings of the League Council in Geneva during October and December last, and the visit of General Dawes to Paris when the Council was sitting again in November and December, were events which may be of more lasting influence upon the course of international affairs than the Far Eastern crisis itself. It would not be an overstatement to say that, at the present time, the United States is less disinclined to dispute the desirability, and even the necessity, of international solidarity than at any time since American opinion veered round against President Wilson and his policy during the Peace Conference of Paris.

So much for the positive facet of current American foreign policy. We naturally welcome it, and we venture to believe that it will not again suffer eclipse. But, on this very account, we must be careful not to ignore the other side of the picture—an aspect which may be less pleasant to contemplate, but which is certainly not less important to bear in mind.

To consider Mr Stimson's outlook first, we may surmise that the closer collaboration with the European statesmen, which he has been conscientiously practising, has cut both ways. It must have given him greater opportunities of seeing the seamy side of European statesmanship as well as its worthier qualities; and unfortunately the seamy side has been very blatantly exposed during the negotiations over the Sino-Japanese conflict. It is true that the Assembly of the League has re-affirmed its faith in, and loyalty to, "the collective system," and has also endorsed Mr Stimson's own doctrine of non-recognition of changes in the *status quo* that are accomplished by force in violation of existing treaties. Yet the Assembly would not have had to make this manifesto if the Council had not left undone those things which it ought to have done. And Mr Stimson's own doctrine of non-recognition was only enunciated after the League Council had shown lamentable vacillation, and the European Powers represented on the Council a deplorable lack of public spirit, during the last quarter of last year. Moreover, both in January and in February, the Government of the United Kingdom, of all Governments, almost ostentatiously dissociated itself from the non-recognition policy when Mr Stimson put forward this policy in public.

As for "the other subjects," besides disarmament, which Mr Stimson has been discussing just now with European statesmen at Geneva, we may infer what these subjects were, and what Mr Stimson felt and said about them, by studying Senator Borah's speech of April 20th; for this speech was concerned with two things—European armaments and European debts.

Mr Borah's speech is impressive because, on the whole, it is so moderately put—moderately, at any rate, by comparison with the tirades against the Hoover Moratorium which were delivered by other congressmen when Congress reassembled last December. There are obvious omissions; for while the Senator deals faithfully with what the European debtors of the United States have done and left undone on the debit side—their mercilessness to their own debtor Germany, their rising expenditures on their own national armaments, and their total failure up to date to find any constructive, sensible, generous solution for their own European ills—he says nothing of the corresponding items in the Recording Angel's American ledger—the insurmountable tariff wall which obstructs the payment of European debts to America, and the wayward insularity for which the recent American reorientation towards "the collective system" is, after all, a tardy and incomplete amends. It is also perhaps, rather riling for English readers to see a recent statement on the financial position of the United Kingdom from the mouth of the Chancellor of the Exchequer taken by Mr Borah as evidence that "there is no occasion for assuming, as has been assumed of late, that these foreign countries cannot meet their obligations." When a sagging camel glances round at his hump and remarks that

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the last straw does not seem, after all, to have broken his back, that hardly seems to justify the camel-driver in refusing to remove that final extra fardel from the animal's intolerable burden. Still, these considerations leave Mr Borah's main thesis untouched; and it is a thesis which ought to command our attention.

Mr Borah's argument is simple, and it is not unconvincing; for he estimates the immediate future on the basis of the recent past. He first recalls that the total war debts of European countries to the United States have been scaled down, in the post-war debt-adjustment agreements, from about $12,000 millions to a present value of about $5,800 millions. He also recalls that "this cancellation . . . was made in the interest of financial recovery and of economic solidarity throughout Europe." And then he points out remorselessly that "those things did not happen."

The application of this precedent to current demands for debt-cancellation is formidable.

"So long as the peace treaties remain unrevised and in their present form, there will be a continuation of intellectual, emotional and spiritual war, and there will be, in my opinion, no disarmament in Europe of any moment or of any worth . . .

"If Europe cannot solve the reparation problem . . . it is useless to talk to the American taxpayer about aiding Europe by cancelling debts, and equally useless to talk to the American banker about lending more money to Europe . . .

"I do not know whether the reparations question can be settled or not. I do not know whether armaments can be reduced or not . . . But we do know that, until these things are settled, the United States is powerless to aid in the readjustment of conditions in Europe."

Does it not look as if Senator Borah and Secretary Stimson were saying the same thing in different language? "For Heaven's sake," they are surely both saying to Europe, "make haste to settle the reparation problem on a practical basis, and cut away the political cankers that are poisoning the relations between France and Germany, and scale down your land armaments. If you do these things—and it is your own elementary interest to get them done—America will be willing, then, to help in the common cause of pacification and reconstruction. But do make us a proposal under which we could feel that we were making a contribution towards a genuine settlement and that we were not just being asked to let Europe off."

We shall neglect this American appeal at our peril; for the America who is addressing it to us is herself, at the moment, in a chastened and a softened mood. Effort after effort has failed to turn the tide of depression in a country which believed a short while ago that it was the happy land on whom the gods had conferred the boon of perpetual prosperity. Under the terrible stress of the world economic crisis she has begun at last to accept the idea of international solidarity, after kicking so long and so [illegible] against the pricks. Let us respond to this [illegible] in kind.

OUR NEW TARIFF.

The strange-looking bark to which we have entrusted our commercial and industrial fortunes has been so hastily put together, without forethought or design, and so hurriedly launched that it is important as quickly as possible to look over the craft in which we have put to sea. Last week, therefore, we gave some tables in the *Economist* showing approximately the amount of British imports which in 1930 would have been subject to our various new Protective duties if these had then been in force. The tables enable us to form a general picture of the sort of tariff that has now been introduced into this country, and to make some comparisons with other countries.

Our calculations showed that out of about £1,030 millions of imports—of which £13 millions were subject to McKenna and Safeguarding duties and £138 millions to revenue duties—the categories of imports to which the protective duties of 1932 apply amounted to £516 millions. But as £107 millions of these were imports from the Empire, which are for the present exempt, there remained £409 millions of foreign imports liable to duty. These imports fell into the following classification:—

IMPORTS FROM FOREIGN COUNTRIES IN 1930 SHOWING INCIDENCE OF NEW PROTECTIVE DUTIES.

(In thousand £).

Rate of New Duty.	Food, Drink and Tobacco Class I.	Raw Materials and Articles mainly Unmanufactured Class II.	Articles wholly or mainly Manufactured Class III.	Animals not for Food Class IV.	Total.
10 per cent.	148,841	54,880	62,267	81	266,069
15 "	...	...	15,775	...	15,775
20 "	4,276	...	99,230	...	103,506
25 "	1,077	...	4,157	...	5,234
30 "	128	...	2,827	...	2,955
33⅓ "	...	...	15,764	...	15,764
Total ...	154,322	54,880	200,020	81	409,303

Before attempting to draw any conclusions from these figures, readers should bear in mind that it by no means follows that, if the new duties had been in force in 1930, these quantities would in fact have been imported, or even that the amounts imported would have continued in the above proportions in various groups; for clearly the duties will have some restrictive effect. But until experience has been gained we cannot tell to what extent the tariff will act as a check upon imports.

Some light, however, may be thrown on this subject by the following considerations:—Assuming that all the goods subject to the new taxes had come into the country and duty had been paid on them at the rate now chargeable, our tariff on these goods would have been approxi-

mately at an average rate of 15 per cent. But it must be remembered that in 1932 our imports are running, on the whole, at a rate at least 33⅓ per cent. lower than in 1930, owing to the great fall in prices and the reduction of trade. We may assume, therefore, that imports for 1932 on which the new duties are leviable would only amount, even if they had continued to be free of tax, to £270 millions. If these imports paid duty at 15 per cent. the yield would be £40 millions of revenue. But we know that the Chancellor has estimated that he will get only £82 millions from this new taxation. It would seem, therefore, that the Customs and Excise authorities anticipate that the effect of Protection on the present scale will be on the whole to reduce imports in these groups by yet a further 20 per cent—the restriction presumably being more marked in the 20 and 30 per cent. classes than in the 10 per cent. class. In other words, it is expected that the duties will reduce imports—and hence also restrict the buying power of our customers and reduce the carrying trade of our merchant marine—by some £50 to £60 millions; for it is very doubtful whether an increase of Empire imports is to be expected on any large scale.

But though the preceding figures cannot be taken as an indication either of the amount or even of the proportions of trade that will be carried on—after the event, they give a very useful basis for estimating the height and incidence of our new tariff. It is not possible to measure the height of a tariff by studying the goods which come in *after* it is imposed; for if the tariff is high enough it will mean that only those goods will come in which are on the free list and it will appear that practically no goods are taxed by the country in question. It is a general rule that the higher the tariff the lower is the proportion of taxed goods to total trade. It is to meet this difficulty that, in making a comparison of the tariffs of various nations, the League of Nations has never taken account of the ratio of revenue—or of taxed goods—to total trade, but has calculated what the tariff charge would be on a given assortment of goods, imported into various countries. Seeing, therefore, that the test is the nature of the obstruction that would be met by trade that might otherwise take place, the preceding figures give a basis for a reasonable comparison with previous estimates of the League of Nations.

We do not think, be it said, that any useful comparison can be made between the taxation on British imports as a whole and that of other nations, owing to the exceptional nature and extent of our imports and the very large part of our Budget revenue which is based upon them. Indeed, it is not generally appreciated that our customs revenue has long been the largest in the world and that on the £151 millions of imports which were taxed in 1930 the revenue levied by the Exchequer amounted to almost exactly 100 per cent. (150 millions of taxation levied on £151 millions of taxed imports). The most striking item in the list is tobacco, in the case of which £87 millions of duty were charged on £16 millions of imports.

This part of our customs revenue has no parallel in its amount in the fiscal systems of other nations. These large revenue duties are almost entirely non-protective—being in the main imposed on goods not made at home. They are economical in the sense that almost all that the taxpayer pays finds its way to the Exchequer and it represents the greater part of the indirect taxation by which the mass of the people make their contribution to the national revenue. These taxes are, from the economic standpoint, radically different from protective duties in that the latter deliberately aim at levying a charge on the consumer not for the benefit of the Exchequer but for that of some private interest. The counterpart of these revenues in foreign countries is to be sought in part in the customs revenue, but also in turnover taxes, and in the profits of tobacco, match and liquor monopolies.

In view of these exceptional conditions it is better to base a comparison on manufactured goods only—excluding certain special items, *e.g.*, petrol covered by previously existing revenue duties. The figures for manufactures from foreign countries in the above table, together with those subject to the McKenna and safeguarding duties, amount to £218 millions, on which the present tariff amounts to an average height of 18½ per cent. This may reasonably be compared with the height of tariffs in other countries on manufactured goods. No calculation of this kind has been made since that of the World Economic Conference of 1927; but, except in America, Australia and India, and, to a less extent, in Holland, no general changes have been made in tariffs as a whole; indeed, so far as Europe is concerned, the situation was stabilised in the following years by commercial treaties and the long-drawn-out negotiations of Geneva. The latest restrictions by means of the quotas, surcharges, exchange controls, etc., have, of course, radically altered the conditions of international trade. But, with the exceptions mentioned, the figures of the World Conference probably do not misrepresent the height of the permanent brick wall that will be revealed if and when the barbed wire and other temporary barricades that have been superimposed on them are cleared away. The figures with which our 18½ per cent. compares are as follows:—

LEVEL OF TARIFFS ON MANUFACTURED ARTICLES.

Countries Outside Europe.	%	New States of Central Europe.	%	Great Powers of Europe.	%	Scandinavian and other Low-Tariff Countries.	%
United States ...	37	Poland	32	Spain.....	41	Sweden	[illegible]
Argentine	29	Hungary	27	Italy	23	Belgium	15
Australia	27	Czechoslovakia	27	France	21	Switzerland ...	15
Canada	23	Jugoslavia.....	23	Germany	20	Denmark	10
India	16	Austria	16	...		Holland.....	6

The table shows that our level of protection of manufactures under the new scheme is higher than that of Switzerland, Belgium and Sweden, but a little lower than that of the Great Powers of Europe. It is considerably higher than that of Holland and Denmark. In fact, we take our place among the countries of moderate industrial protection.

It should, however, be added that at the time of the World Economic Conference the British figure was given as 5 per cent. We know of no case of a country making a change comparable to the jump from 5 to 18½ per cent. It is inevitable that such a change in the greatest market of the world should have a grave dislocating effect in every direction. All that can be said on the other side is that exchange control and complete prohibition, which are being enforced in certain countries of Europe, and even overseas, are even more disturbing to the world's economic life.

Another very striking feature of the new tariff is its widespread—indeed almost universal—character. As we have already indicated, only £151 millions out of imports exceeding £1,030 millions were taxed in 1930—leaving £880 millions free. Under the new scheme only £440 millions would remain free (of which over £107 millions consists of manufactures or semi-manufactures from the Empire), while nearly £600 millions would have been subject to tax. The following further analysis brings out forcibly what a large proportion of our foodstuffs and raw materials has now come under the ban:—

IMPORTS OF 1930 BY CLASSES.
(Million £.)

	As actually Taxed.		Under Taxation of 1932.	
	Amount.	%	Amount.	%
Food and drink and tobacco:				
Free.....	400	84½	211	39½
Taxed	75	7½	264	25½
	475	46	475	65
Materials and partly manufactured goods:				
Free.....	250	24½	195	19
Taxed	Nil	...	55	4½
	250	24½	250	24½
Wholly or mainly manufactured goods:				
Free.....	232	22½	32	3
Taxed	75	7½	275	26½
	307	29½	307	29½
Total	1,032	100	1,032	100

The preceding figures give a Free List percentage under the new plan of 43 per cent. and a tax percentage of 57 per cent., as against actual percentages in 1930 of 85½ per cent. free and 14½ per cent. taxed. If the Dominions are not forthcoming at Ottawa and the present complete exemption of Empire goods is replaced—in accordance with the common Imperial practice—by a preferential duty, the Free List percentage would fall to the low figure of 33 per cent. But even without taking this possibility into account, the new figures present a marked contrast with those of the United States, where the Free List amounts to 67 per cent., this percentage having risen from 56 per cent. in 1923. Comparing these two years, both of which were years of depression, it is interesting to find that the value of America's imports under the Free List in 1930 were almost the same as seven years earlier. The imports on the dutiable list, however, had fallen by one-third. The following are the actual figures:—

AMERICA'S FREE AND TAXED IMPORTS IN 1923 AND 1930.
(Thousand $.)

	1923.			1930.		
	Free.	Dutiable.	% Free.	Free.	Dutiable.	% Free
Crude materials	1,091,393	315,404	77·6	834,120	168,041	83·2
Crude foodstuffs and food animals	279,222	83,810	76·9	331,179	68,946	82·8
Manufactured foodstuffs	52,164	478,044	9·8	78,153	215,295	26·6
Semi-manufactures	471,775	248,954	65·5	448,618	159,536	73·8
Finished manufactures	241,388	529,912	31·3	359,041	397,981	47·4
Total imports	2,135,942	1,656,124	56·3	2,051,110	1,009,798	67·0

The table shows that the United States has found it desirable, in spite of its financial needs, to maintain a substantial free importation of crude materials and foodstuffs. Seeing that it is essential for our export trades to compete on the most favourable terms with other nations, it may well be that we shall be forced to consider the 10 per cent. handicap which we have imposed on them. On the other hand, the United States has very much higher rates of duty on those goods which are taxed than we have. Certain American apologists have prided themselves on the rising proportion of imports under the Free List, as though it were evidence of a liberal commercial policy. It is, of course, the exact reverse, for the figures indicate that the protective duties are, in fact, acting as a prohibitive tariff.

In short, our new tariff is in the main designed as a very extensive but low level tariff, in contrast to the American type, which tends to be exclusive for the main range of industrial products, other than specialities, but admits freely the goods in which the country desires to trade. The former type interferes much less with the natural channels of trade, but it is significant that our level is substantially higher than that of Holland, which, with a practically flat rate of duty, is the chief outstanding example of this kind of tariff. If the intention had really been to reduce imports in the hope that exports would not fall so much and thus assist our balance of trade, this case for a limited number of high prohibitive duties was—as Sir Herbert Samuel has frequently insisted—much stronger than for the present form of general tariff. Nor is the case a strong one from the revenue point of view, for there are clearly many alternative ways of raising £80 millions out of a tax revenue of £750 millions. The fault of the present policy will come when the Government starts to deal with foreign countries, for it will possibly [illegible] only if the protective demands of British industry can be suppressed and our tariff used to lead the world back towards something like Free Trade. As the matter stands at present, we are in danger of combining the extensive plan of taxing almost everything with the very dangerous game of imposing high protection on finished goods for the benefit of home producers. If we drift along much farther in this direction we shall find that we have got the worst of both worlds.

THE RUSSIAN GRAIN SITUATION.

(BY A CORRESPONDENT.)

DEFECTIVE organisation, coupled with a late Spring, appears to be causing considerable backwardness in the Russian agricultural campaign this year. Spring-sown crops are rather more than twice as important as the Autumn-sown, and are a vital factor in the national economy; but Spring sowings made by April 25th this year covered only 24,700,000 acres, against 68,450,000 acres sown by the same date in 1930. Delayed seeding not only tends to check acreage expansion, but may also affect yields adversely. For example, 1930 was a more advanced year than 1931, at least as regards the earlier stages of Spring work, and made a much better Spring wheat crop. Recently published data for the State farm "Gigant" confirm the importance of this matter. On that enormous holding (it has about a quarter of a million acres under grain) seeding in 1931 finished on April 18th—a much earlier date than on most other Russian farms. It is stated that acreage seeded before April 3rd yielded 9½ bushels per acre, while acreage seeded after April 6th averaged less than 6 bushels per acre.

Major obstacles towards the fulfilment of the official programme are the shortage and poor condition of the work stock and the shortage of Spring seed grain—for both of which shortcomings some responsibility probably rests on earlier errors and excesses of official policy. Even the official estimates, which do not usually tend to err on the pessimistic side, reckon that only one-third of this year's Spring sowing can be done mechanically through the medium of machine tractor stations. Power for the remaining two-thirds must come from horses and work-oxen, and these are still affected in numbers by the "pre-collectivisation" slaughter in 1929-30, and in condition by the arbitrary methods of grain-collecting last autumn.

When the partial failure of the 1931 Spring crops—the result of late sowing and summer drought—began to be disclosed in September, 1931, and onwards, the Russian authorities were very reluctant to modify their plans for the centralised grain collections, which provide the central Government with supplies for provisioning the towns and for export. They announced, instead, that the fulfilment of the collections schedule must have precedence over the construction of reserves for any other purpose, whether for food, animal fodder or Spring seed. Managers of collective farms who stood out against this instruction were liable to be, and in some cases were, held guilty of sabotage. This coercion enabled the collections to make a paper showing about equal to the previous season, but it has now produced grave strain. In February, 880,000 tons of grain had to be allocated from the centralised grain collections for drought relief in mid-Volga districts—a not inconsiderable quantity in total collections aggregating about 20,000,000 tons—and there may be further drains on the centralised store for seed purposes if the official Spring-sowing plans are to be even approximately completed.

Originally the plan for seed accumulation in the collective farms, which are scheduled for about three-quarters of the total acreage this spring, called for 6,350,000 tons to be set aside, but this has been scaled down several times during recent weeks, until these farms now appear to be working on a schedule of 5,000,000 tons. Even the reduced plan appears impossible without further Government grants, since the figure on April 10th was 4,877,500 tons and had been practically stationary since the beginning of March. It seems clear, in fact, that Russia over-

exported grain last autumn. The relevant figures are summarised below:—

WHEAT SHIPMENTS FROM SOUTH RUSSIA.

(In quarters of 480 lbs.)

	Season 1930–31.	Season 1931–32.
August–October	4,626,000	6,747,000
November–January	4,728,000	1,785,000
February–April	1,554,000	245,000

A further significant comment on the foregoing evidence of recently reduced grain exports is the fact that it was reported in the London Grain Market on Wednesday of this week that the Soviet Government had bought 40,000 tons of foreign wheat and was bidding for a further similar amount. The explanation of these purchases is possibly that by making sure in advance of imported supplies, due for delivery in June, the Soviet authorities will be able to divert more grain from consumption stocks to seed purposes. It may be recalled, however, that the only previous occasions on which Russia has imported wheat during the past decade have been in the famine years 1921-22 and 1924-25, and during the "collection" crisis of 1928-29.

Soviet journals have recently advocated the growing of Spring wheat in the damp zones of both European and Asiatic Russia lying to the north of the Black Earth belt. Average yields of 11 and 15 bushels per acre are claimed in the European and Asiatic sectors, respectively, as compared with 8 bushels in the regular south-eastern Black Earth zone and 8½ bushels in North Caucasus. (The seed selection stations at Tula and Viatka are reported to achieve 59 bushels per acre, but there is a difference between theory and practice in Russia.) Some relative increase in the acreage devoted to this crop in the Moscow district has accordingly been planned, though the increase is of no significance compared with the country's total Spring wheat acreage. Russia has been growing grain for a good many years, and the peasants may be supposed to have a fair knowledge of what crops are suitable to particular areas. Practical results from this advice to extend the wheat area northwards are accordingly unlikely. What it may well reflect is official concern over one of the effects of recent grain export policy. In the supposed interest of the export campaign—with all that it means for the machinery purchase features of the Five Year Plans—there has occurred a bodily eastward shift of the Russian Spring wheat acreage. The southern steppe (prairie) areas of European Russia (Crimea, Southern Ukraine, Western Ciscaucasia) which are closest to the ports, have been devoted to the more reliably yielding winter wheat, forcing the expansion of Spring wheat acreage in such eastern districts as the Urals, Western Siberia, Bashkiria and Kazakastan, and—to a lesser extent—Lower and Central Volga. These districts are not only less accessible, but they are much less reliable in rainfall. Since, furthermore, Spring there is normally later, the cultivation is now more liable to encounter drought, and more liable to damage when drought is encountered. This policy tends to make a chancy crop still more chancy, and, since 1931 was one of the summer drought years in parts of this eastern area, the "grain front" shows signs of strain.

BRITISH INDUSTRIAL PROFITS.—II.

IN a previous article we gave the results in the "Manufacturing and Mining" group of a fresh analysis of British industrial profits. We have now to complete our survey by examining the groups comprising, firstly, transport, distribution and services, and, secondly, companies operating overseas. It may be recalled that our selected list excludes investment trusts and financial companies, companies controlling or controlled by other companies, and all but a representative sample of rubber companies. In the case of each industry the net profits (*i.e.*, profits minus losses) of the year 1924 are taken as a base. These represent profits before the deduction of debenture interest or taxation. The figures of "undistributed" profits are given in the same units as the figures of total profits. The years stated in the following tables are those of the income-tax year:—

II. TRANSPORT DISTRIBUTION AND SERVICES.

(All figures represent percentages of Profits (a) less losses; (b) in 1924.)

(a) Profits. (b) Losses. companies making profits. companies making losses. (c) Profits less dividends (*i.e.*, net additions to reserves) of companies making profits. (d) Losses plus dividends (*i.e.*, net drawing upon reserves) of companies making losses.

		No. of Cos.	1923.	1924.	1925.	1926.	1927.	1928.	1929.	1930.	1931.
A. Railways ...	(a)	4	108	100	95	56	99	96	104	89	
	(c)			−6	−10	−33	1	−1	8	−7	
B. Retail Distribution.	(a)	27	87	100	106	103	105	107	116	124	
	(c)			28	34	28	36	37	39	37	
C. Wholesale Distribution & Merchanting.	(a)	42	88	101	102	100	105	113	107	73	
	(b)			−1	−1	...	−4	...	...	−5	
	(c)			25	21	16	18	21	17	6	
	(d)			−1	−1	...	−9	...	...	−9	
D. Warehousing and Storage.	(a)	5	107	100	107	134	126	97	87	73	
	(c)			25	26	33	35	19	11	8	
E. Hotels and Restaurants.	(a)	16	76	100	81	78	79	87	128	111	
	(c)			19	12	13	10	13	20	17	
F. Entertainment	(a)	11	91	100	73	144	156	253	297	310	
	(b)		...	...	...	...	...	...	...	−5	
	(c)			20	24	69	72	134	94	88	
	(d)			...	...	...	...	...	...	−11	
G. Shipping ...	(a)	25	129	138	126	196	276	243	232	196	
	(b)		−46	−38	−62	−32	−9	−10	−11	−34	
	(c)			32	36	51	88	79	67	48	
	(d)			−47	−68	−32	−9	−10	−11	−34	
H. Canals and Docks.	(a)	7	102	100	102	103	108	100	113	101	
	(c)			1	9	12	8	4	9	3	
I. Other transport, distribution and services.	(a)	10	100	100	100	100	215	200	200	205	
	(c)			22	17	0	134	144	110	140	
Total Transport, Distribution and Services.											
	(a)		93	101	106	100	111	115	120	111	
	(b)		−1	−1	−1	...	−1	...	...	−2	
	(c)			17	19	12	23	20	19	15	
	(d)			−1	−1	...	−2	...	...	−1	

The profits of retail distribution do not appear to have risen quite so fast as might have been expected, though they have been well maintained during recent years. Allocations to reserve have been fairly consistent. The very heavy fall in the profits of wholesale distribution and warehousing is presumably due to the writing down of large stocks of primary products, and perhaps to losses overseas. The hotel and restaurant trade, after some dull years, has made a good showing for the last three years. The fluctuations in the profits of the entertainment trades, and of the miscellaneous trades included at the end, are remarkable; it is clear that an attempt is made to counter them by large allocations to reserve. The most violent fluctuations, accompanied by heavy losses, are found in shipping. Owing to losses, the net amount of saving by this industry has been rather small and uncertain. The canal and dock companies, which are largely run on a public utility basis with fixed rates, provide a striking contrast of stability in their profits.

Finally, we have the profits of concerns operating mainly overseas. These are divided below more or less according to the Stock Exchange classification:—

COMPANIES OPERATING OVERSEAS.

(All figures represent percentages of Profits (*a*) less losses; (*b*) in 1924.)

(*a*) Profits. (*b*) Losses. (*c*) Profits less dividends (*i.e.*, net additions to reserves) of companies making profits. (*d*) Losses plus dividends (*i.e.*, net drawing upon reserves) of companies making losses.

		No. of Cos.	1923.	1924.	1925.	1926.	1927.	1928.	1929.	1930.	1931.
A. Banks.....	(a)	8	92	100	108	103	103	106	104	97	
	(c)			30	29	27	26	28	21	15	
B. Financial, land investment.*	(a)	40	86	100	93	83	93	100	75	48	
	(b)		...	...	−1	−2	−4	−1	−5	−17	
	(c)			29	22	12	15	22	7	−2	
	(d)			...	−2	−6	−4	−1	−5	−17	
C. Oil	(a)	5	170	100	89	98	101	97	111	93	
	(b)		...	...	...	...	...	...	−1	−27	
	(c)			30	32	36	34	30	44	38	
	(d)			...	...	...	...	...	−1	−27	
D. Rubber	(a)	28	107	100	485	493	208	139	159	133	
	(b)		...	...	...	...	...	...	−1	−59	
	(c)			5	90	86	64	33	44	28	
	(d)			...	...	...	...	...	−4	−31	
E. Tea	(a)	47	88	100	90	87	89	71	45	36	
	(b)		...	...	...	...	...	...	...	−1	
	(c)			22	19	16	18	12	3	−3	
	(d)			...	...	...	...	...	...	−3	
F. Public utilities	(a)	20	67	100	99	83	87	96	95	89	
	(c)			40	48	38	37	31	19	11	
G. Other companies	(a)	19	83	100	88	83	91	97	72	46	
	(b)		...	...	...	...	...	−1	...	−6	
	(c)			31	25	17	21	19	11	−3	
	(d)			...	...	...	...	−1	...	−6	
Total Companies operating Overseas (including an estimate for Railways and Mines).											
	(a)		101	100	110	107	103	101	95	77	
	(b)		...	...	...	...	...	...	...	−1	

* Excluding investment trusts.

These figures call for little comment. The general upward tendency of the period 1924-29, noticed in the results of companies operating at home, is absent here. The great rubber boom of 1925-26 not only had its effect on the total, but tea shows a long and gradual attrition from the figure of 1924. In a number of industries 1929 appears to have been definitely a worse year than 1928. As might be expected, the profits of banking show considerable stability. In the financial land and investment companies the profits of the last two years must have been considerably affected by defaults. These are largely companies carrying on estate and mortgage business.

The combination of these figures into general totals raises the difficult question of weighting. In the case of manufacturing industry, approximate weights were obtained from the Census of Production for each group of industries concerned, the value of the net output of 1924 was known, and estimates of the wages and salaries paid could be obtained from the Census of Production and from certain other data. Making estimates of the relative importance of depreciation in different industries, it was possible to obtain an approximate figure which could be used in weighting the final results. For transport and distribution a certain amount of evidence (as to the relative importance of the profits of the different transport and distributive industries) is found in the Colwyn Report and elsewhere. For companies operating overseas Sir Robert Kindersley's figures for 1929 are used as a basis for weighting. It may be mentioned that the general index shown at the foot of Table III. is meant to show fluctuations of the total earnings of companies operating overseas. It does not provide an index of changes of the income of this country from overseas investments, for the reason that British investors hold relatively more debentures and relatively less ordinary shares than other investors in these companies.

PROBLEMS AT GENEVA.

(BY OUR LEAGUE CORRESPONDENT.)

The British Prime Minister, the Foreign Minister, the War Minister, the First Lord of the Admiralty, the Air Minister, and the Under-Secretary for the Dominions have all been in Geneva together, and the only concrete result to be recorded is that a British admiral has contended in the Naval Commission that the only offensive naval weapon is the submarine. The Prime Minister, in a strange talk with the newspaper correspondents called rather impatiently for patience, and his main concern seems to have been to get France and Italy into the London Naval Agreement. That is, of course, important, and it may be a necessary beginning, but it is not enough; nobody outside England takes seriously our claim to have reduced to the lowest limit and to have set an example to the world, and, after Sir John Simon took the lead in advocating the abolition of aggressive weapons, we look worse than foolish to argue that nothing but submarines comes within that category at sea. As for the threat that unless France and Italy prove amenable, we may invoke the safeguarding clause of the London Agreement and take a free hand, that does not perturb those two countries; it would be cutting off our nose to spite our face, for Japan would be only too glad to re-open the question of ratios, and America would be tempted to outbuild us, to say nothing of the political and financial repercussions. It may, therefore, be said that these hasty words have left the objects of them in comparatively tranquil frames of mind.

That a beginning is urgent on land is obvious, but it is no adequate British contribution to stand fast on the previous naval agreements, and, if our technical experts are allowed to pursue their present line of argument, the drawing of our proposals to abolish aggressive weapons will be seriously impugned. The American attitude is open to exactly the same criticism—their whole naval force (except submarines), they say, is purely defensive, and aircraft-carriers are defensive weapons against submarines. The Japanese regard the capital ship as defensive; they want more aeroplanes, but they have a virtuous repugnance to aircraft-carriers. The American and

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Japanese positions have so far been proclaimed, not only by admirals, but by senators and diplomats; so far, only our admirals have spoken. What is certain is that the matter will have to be decided by the Government representatives; the experts will decide little or nothing of value.

That is why the renewal of the private conversations is important, though Mr Stimson's absence will be unfortunate, and the unlikelihood of M. Tardieu's return to power makes it impossible for any fruitful French participation before the early days of June. The fairly considerable swing to the Left now foreshadowed in the first French election results may perhaps prove helpful. More Liberal views at the Quai d'Orsay might go a long way towards securing some kind of compromise with the suggestion attributed to the German Chancellor that Germany would not numerically increase her present forces if equality in principle is accepted. The German representative in the Land Commission has even gone further, and has expressed a readiness to consider offering up the pocket battleships on the altar of disarmament if something is done about capital ships. There are vast possibilities in the whole situation for far-sighted statesmanship, which has not yet been much in evidence amongst those in the best position to take the lead.

If and when the qualitative discussions are provisionally ended, there will remain the quantitative problem, and opinion here is more and more inclined to the view that it will be exceedingly difficult, if indeed at all possible, to fix individual figures for all States. There is substance in M. Litvinoff's observations that there must be some general principle, be it a percentage reduction in expenditure, or in effectives, or in tonnage. Some seem to think and to hope that a decision on qualitative principles will be sufficient, but Germany has always insisted on quantitative reduction, and this could only be avoided by a sufficiently radical cut on the qualitative basis. The main hope in all these matters still lies in the pressure of dangerous circumstances.

The Assembly resolution on the Shanghai situation, incorporating the agreement negotiated by Sir Miles Lampson in Shanghai, has left mixed feelings. The Chinese clearly disliked the agreement—moreover, they even described it as unfair—but felt compelled to accept, and the Japanese, while abstaining from voting on the Assembly resolution, declared that "it went without saying" that they would faithfully carry out the terms of the agreement. They evidently are anxious to get the Shanghai situation cleared up—their relatively mild reaction to the bomb outrage is one indication—so that they can devote their attention to squeezing political conditions out of the Round Table Conference, and their energies to the unholy mess in Manchuria. But it is doubtful whether the Chinese, unless subject to further pressure from other interested Powers, will allow themselves to be inveigled into any political discussions before the final withdrawal of Japanese troops. In this direction, the Assembly resolution has value, and is a great improvement on the Shanghai agreement standing alone. For it considers that the March 4th resolution of the Assembly means withdrawal of Japanese troops in the near future, and that this resolution will not have been fulfilled until the withdrawal is complete; the Assembly also laid it down that negotiations could not be carried out under military pressure. If it "went without saying" that Japan would faithfully fulfil her undertakings, and that the interested

Powers in Shanghai would show some determination to uphold more faithfully the Assembly decision to which their principals have subscribed at Geneva, there would be good prospects of this end of the conflict being regulated. But it is useless to deny that there are expectations that China will be compelled to come to the Assembly again, a step explicitly safeguarded in the resolution.

Meanwhile, the first report of the Lytton Commission has arrived from Manchuria, and is being issued this week in Geneva. The information which has so far emerged about the contents of this document shows that there are tens of thousands of troops carrying on a three-cornered conflict in Manchuria, with the result that there is a general sense of insecurity. The Japanese say they have about 22,000 troops, the Puppet Government about 80,000 (created with the help of the Japanese), and the Japanese estimate that there are about 140,000 Chinese troops of all kinds still in the field opposing them and their Puppet Government. The deduction which the Japanese draw from this picture of the law and order which their occupation was to guarantee is that they cannot withdraw at present, and they appear to consider that withdrawal must depend on the progress of the reorganisation of the troops described as the Manchukuo Government Army. This is what the Lytton Commission reports, without comment. It would, however, appear to the ordinary observer that Japan has created by her flagrant treaty violations in Manchuria a hopelessly chaotic situation, which will probably last as long as she remains there. It is more than likely that the troops said to be serving the Manchukuo " Government " are of uncertain allegiance, and, in any event, 140,000 Chinese troops can maintain a long period of discomfort for the Japanese and the usurpers of power under Japanese tutelage. There is not the slightest doubt that Manchuria is in a far more lawless state than it was before the short length of Southern Manchurian Railway track was supposed to have been torn up by Chinese—a fact which has never yet been substantiated, and which has been categorically denied by the Chinese.

Notes of the Week.

The Tariff.—In asking for the approval of the House to the first Order made under the Import Duties Act, Mr Chamberlain, who opened last Wednesday's debate, was content, in the main, to argue that the Order was the " logical, natural and expected sequence " of Parliament's previous determinations. As for the levels at which the various scales of duties had been fixed, he found it convenient to cover himself in advance against criticism either that the duties were too high or that they were too low to afford adequate Protection, by reference to the " independent and impartial " character of the Advisory Committee on whose recommendations the Treasury had acted. On the whole, he claimed that he was entitled to feel, like Warren Hastings, surprised at his own (or the Committee's) moderation. He also endeavoured to reassure the House that inefficiency under the shelter of Protective duties would not be tolerated, though his naïve confession that the formulation of conditions of efficiency was " extremely difficult " robbed this assurance, if not of its sincerity, at least of much practical value. The main point of interest, indeed, in Mr Chamberlain's speech is to be found in his reference to the Committee's statement that it is not their intention to recommend any reduction in the general level of Protection now imposed during the next twelve months. This declaration of policy on the part of the Committee, said the Chancellor, would not preclude the Government from undertaking negotiations with foreign Governments for commercial treaties, which were outside the purview of the Advisory Committee. Ottawa must come first, but " having once exhausted the possibilities that may accrue from our conversations with the representatives of the Empire, we shall be free to discuss commercial treaties which may involve the lowering of the duties in this country in return for a similar lowering of tariffs against us by any countries that desire to enter into negotiations with us." We could wish that Mr Chamberlain had put more positively the Government's desire to negotiate treaties leading towards freer trade, and we are under no delusion as to the strength of the opposition from vested interests that will be raised against any action proposed by the Government along these lines. In the meantime, however, we trust that these significant words of Mr Chamberlain may be taken as an augury that the Government recognises that a general removal of obstructive trade barriers is the essential objective, and that Protection for Protection's sake is for this country a counsel of despair.

Ottawa Conference Advisers.—On Tuesday Mr Thomas announced in the House of Commons the names of the industrial advisers who will accompany the United Kingdom delegation to the Ottawa Conference. Sir Edward Davson will go as adviser on Colonial trade matters and for industrial and commercial questions there will be Sir Gilbert Vyle, Lord Weir and Sir Alan Anderson, nominated by the British Committee on Empire Trade, and Mr J. Bromley and Mr W. Citrine, nominated by the General Council of the Trades Union Congress. The appointment of Sir Douglas Newton as agricultural adviser to the delegation was announced on Thursday. The team is, on the whole, a strong and representative one, but the list is notable for more than one omission. There is no representative of the important industries of coal and textiles, whose interests in the export trade are predominant, and though Sir Alan Anderson carries the great authority of a former Deputy Governor of the Bank of England, his primary concern, as one of the leading shipowners, will be with the vitally important problems of commerce; the delegation might well have been strengthened by a special adviser on monetary policy, a question which should figure prominently in the business to be discussed at Ottawa.

The Oath and the Annuities.—On April 29th Mr De Valera's Bill to remove the Parliamentary Oath from the Irish Constitution, and along with it those provisions of the Constitution which make the Treaty the supreme law of the Free State, passed its second reading by a majority of 77 to 71, and on May 4th the Committee stage was ended. Mr McDermott's interesting amendment to substitute for the existing Oath a general expression of loyalty to the Crown as the symbol of partnership in the British Commonwealth of Nations was ruled out of order by the Speaker. Mr McDermott, who had denounced the Free State Government, in the first reading debate, for " behaving like guttersnipes " in evading the real issue, asked Mr De Valera point-blank whether or not he regarded the Treaty of 1921 as morally binding on the Free State; Mr De Valera replied that, whatever might be his private views, he spoke for a Government which, in accordance with its mandate from the electorate, had decided to accept the Treaty for the time being. This doctrine that the honourable observance of public engagements depends upon the temper of a general electorate at some particular moment is an interesting contribution to the dialectic of representative government. Besides the question of honour, the legal issue is of slight importance, but it is worth recording the published opinion of Professor Berridale Keith, one of our most noted constitutional lawyers, that any measure running counter to the Treaty which purports to have been passed by the Oireachtas would have to be held invalid by the Irish courts as a mere matter of law; this conclusion, of course, is based upon the fact that Dail Eireann sat in 1922 as a Constituent Assembly, and it is in no way affected by the Statute of Westminster. A very interesting situation will arise if, when the tumult and the shouting dies, Professor Keith's view is upheld in the Free State courts, and Mr De Valera finds himself constitutionally unable to break his country's plighted word. The question of the annuities has been overshadowed recently by the fundamentally more serious issue of the status of Ireland, but Mr De Valera made an important statement on

the matter in an interview on Saturday, when he said that the whole question of the land purchase annuities is to be re-examined in view of the financial agreement of 1923 "brought to light by Mr Thomas." Incredible as it may seem that Mr De Valera could have been in office for so much as a week without having his attention drawn to the agreement by his officials, it really does appear to have come as a surprise to him, and it is possible after all that the question may be submitted to suitable arbitration.

First Ballot in France.—Pending the results of the second ballot in the French General Election, which is to take place next Sunday, the results of the first ballot—taken on Sunday last—are singularly baffling. Yet a provisional attempt to interpret them, vain exercise of the fancy though it be, is, nevertheless, irresistible in view of the profound importance of this election for the future, not only of France herself, but of Europe and the world. It turns out that, on the first ballot, only 252 definitive elections have been made, and this leaves the fate of no less than 352 seats to be decided next Sunday. The outstanding general feature about this first batch of definitive results is that the late Government and the late Opposition are very evenly balanced, and that there has been very little change. Out of these 252 deputies who are already elected, the late Government can claim 129 and the late Opposition 123. The Opposition has gained eight seats, and the Government lost nine seats net. Six of these lost seats have been forfeited by Monsieur Tardieu's own group, "the Republicans of the Left." Everything now turns on how far, at the second ballot, the parties of the Left—and principally the two largest of them, the Radicals and the Socialists—will succeed in carrying out their pre-arranged and declared plan of concerted action. Our own experience in this country last autumn indicates that this kind of electoral strategy is easier to arrange between party headquarters than to execute in the constituencies. It would be rash, therefore, to forecast that the French Left will emerge, from the second ballot, with the majority of 50 or 60 which they are entitled, on paper, to expect, on the assumption that their electoral agreement is faithfully carried out in every single constituency. It is true that, in the constituencies, arrangements on the pre-agreed lines appear to be taking shape spontaneously. It also seems to be true that there has been a considerable incline towards the Left in the French electorate. All the same, it would be unwise to credit the parties of the Left with more than a bare majority, all told; and that might mean a repetition, this year, of the situation which arose after the elections of 1924. On that occasion the Radicals took office with the countenance, but not with the collaboration, of the Socialists, and found themselves compelled to take into partnership the Left Centre, who have latterly taken part in Monsieur Tardieu's coalition. Monsieur Herriot has now declared positively that he will not take office on these conditions again. Next week we shall see.

The Disarmament Conversations.—While the technical committees of the Disarmament Conference are dealing with the detailed and complicated work of defining offensive weapons, there have been important political conversations at Geneva between the statesmen representing the Great Powers. Mr Stimson is reported to have pressed three points: first, the adhesion of France and Italy to the London Naval Treaty; second, the prohibition of certain arms of offence (the problem with which the technical committees are now grappling); and, third, a general reduction of land armaments. For this latter purpose, the Americans are reported to be taking the strength allowed to Germany under the Versailles Treaty as the standard, with allowances for Colonial requirements, special geographical circumstances, comparative military value of professional armies and conscripts, and so on. On the other hand, Dr. Brüning has contributed an offer that Germany herself not to increase her present armaments during the meeting of the next Disarmament Conference, several years hence, on condition of her being

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released from certain, at least, of the more irksome "unequal" provisions in the Disarmament Chapter of the Versailles Treaty, e.g., the proviso that the Reichswehr must be recruited by voluntary enlistment for a term of twelve years. Dr. Brüning's offer is reported to have made a favourable impression on Mr MacDonald and Mr Stimson; and it is promising psychologically, for, if accepted, it will go far towards liberating Germany from her present inferior international status; and status is all-important to a nation which, like the German nation since the war, has been infected with the psychology of the "under-dog." These fruitful conversations were prematurely interrupted when Monsieur Tardieu took to his bed and Mr Stimson to the ship which is to carry him back to America. Now, unhappily, Mr MacDonald also is temporarily *hors de combat;* so that the statesmen's intention of resuming talks next week seems unlikely to be realised.

The Shanghai Armistice.—The Japanese Government has now defeated the League Assembly, as it previously defeated the League Council, over the question of a time limit being imposed, on the authority of the League, for the withdrawal of Japanese forces from Chinese territory. The question in this case concerns the Japanese forces not in Manchuria but at Shanghai. It will be remembered that, after the breakdown of the long-protracted armistice negotiations at Shanghai, the Assembly's Committee of Nineteen at Geneva drafted a resolution which provided, among other things, that a local Commission representing the League at Shanghai should be empowered to fix a date for the withdrawal of the Japanese troops there, and to take its decision by a majority vote. This provision was flatly rejected by the Japanese delegation at Geneva; and, after the problem had been referred back to the neutral representatives at Shanghai, a new formula was devised by the British representative, Sir Miles Lampson. Under this Lampson formula, the local League Commission is to advise the Japanese military authorities on the spot when, in its opinion, such normal conditions have been restored as would render a withdrawal of the Japanese forces possible. The League Commission may even go on to report "negligence," on the part of either the Japanese or the Chinese, in acting upon the Commission's advice. But the actual decision of the moment when the Japanese shall withdraw remains in the hands of the Japanese themeselves. For the Japanese, this is the capital point, and the Lampson formula is therefore acceptable to them. The Chinese have accepted it under duress. And the Assembly has fallen into line by passing a resolution in the same sense at an extraordinary session held last Saturday. The Japanese delegate would not vote in favour even of this resolution, because the Japanese Government declines, "on principle," to recognise that Article 15 of the Covenant, under which the Assembly is acting, is applicable to any part or aspect of the present Sino-Japanese dispute. He was good enough, however, to allow the resolution to become technically unanimous by abstaining from voting instead of casting his vote against it. The Japanese are also taking credit to themselves for having allowed the Shanghai armistice negotiations to go forward in spite of a bomb outrage which was perpetrated at Shanghai on April 29th, by a Japanese subject of Korean nationality in Chinese territory under Japanese military occupation. In

the circumstances, the Japanese have everything to gain now by the simulation of handsome gestures. For they have compelled the League of Nations to acquiesce in their remaining in military occupation of Shanghai and its hinterland for as long as they choose.

The Lothian Report.—In the course of last week-end two events occurred in India which, when viewed in conjunction, are poignantly illustrative of the present struggle between good and evil in Indian politics. The first event was the assassination of a British official at Midnapore, in Bengal, on Saturday, April 30th; the second was the signature, at Simla next day, of the report of the Indian Round Table Franchise Committee of which Lord Lothian is the chairman. The murder of Mr Douglas is an unrelieved tragedy—one of those crimes which serve no purpose except to provide an argument for repression. On the other hand, the signature of the Lothian Report is a piece of constructive statesmanship which offers the glimpse of a better future. This much can be said with confidence already, though the text of the report (which is a voluminous document) will not be published for several weeks. The success of the Lothian Committee's work is attested by the remarkable approximation towards unanimity which this varied and representative body has achieved. And this success is to be ascribed in large measure to the chairman's personality and leadership. The Lothian Committee has not been content to take evidence on paper at second-hand. During a strenuous period of three months' activity it has travelled all over India and has made direct personal contact with the Indian people, not only in the cities but in the countryside. On at least one notable occasion, when a party of non-co-operators set themselves to make it impossible for the Committee to perform this essential part of its work, their obstruction yielded to the chairman's good humour and affability and obvious sincerity in his desire to do his part in helping the people of India along the road towards constitutional self-government. Which is going to prevail in India? The temper of the Lothian Committee? Or the spirit of political crime and political repression? Much will depend on the policy of the Government of India when the four main repressive Ordinances expire two months hence. Will the life of these Ordinances be prolonged over the whole of British India? Or in certain provinces but not in others? Or will the Government find it possible, at this stage, to dispense with the Ordinances altogether—a step which is so much harder to take than the enactment of the Ordinances in the first instance?

Trouble at Tangier.—Tangier is a kind of Moroccan Shanghai—a focus of foreign business interests and a point of contact between an old-fashioned hinterland and the great modern world beyond the sea. Happily, present-day Tangier is not cursed with anything corresponding to Chinese civil wars or Sino-Japanese hostilities. The days of Mulai Hafid, and even the days of 'Abdul Karim, are over and done with. There is peace, and an assurance of continued peace, in Tangier's hinterland. The trouble at Tangier is not home-grown. It is a product, not of indigenous Moroccan disorder, but of international jealousy between those foreign Powers that happen to have fingers in the Moroccan pie. "The Tangier Zone" of Morocco like the International Settlement at Shanghai, is a patch of urban land which has passed under an international administration while the juridical sovereignty has remained with the native Government of the country in which this international zone is an enclave. This, of course, means administrative complications—wheels within wheels, and tier upon tier. There are organs representing the local population and other organs representing, collectively or severally, the various interested Powers. The Powers have been competing for influence over the Tangerine administration for the last quarter of a century; and, in the name of international concord, they have made exemplary efforts to get rid of their mutual resentments and suspicions. At each stage, this problem of international jealousy has been solved in one invariable fashion. The Tangerine administration has been made more and more top-heavy in order to allow this Power to appoint a judge and that Power a police-officer and the other Power a sanitary inspector. As between the Powers, the results of all these diplomatic efforts have not been in vain. The jealousies really have been overcome. But, while the Powers have called the tune, the Tangerines have paid the piper; and now at last they have struck. They have served an ultimatum upon the local Consular body, in which they "warn the authorities of the unfortunate consequences that will not fail to materialise if, as has always occurred up to the present, questions so vital to all Tangerine interests continue to be neglected for reasons which have no bearing on Tangier's welfare." Files docketed "Tangier" seem likely now to accumulate in the chanceries once again.

The Treasury Bond Issue.—An official announcement issued last Friday contained the offer of new 3 per cent. Treasury bonds, to be tendered for at a minimum price of £97 15s. per cent., and to be redeemed at par by annual drawings of not less than 10 per cent. of the nominal amount originally issued. The main purpose of the offer was to provide for the repayment, which was simultaneously announced, of £64.6 millions of 4 per cent. Treasury bonds, 1931-33, on August 15th next, but inasmuch as tenders were accepted for £110 millions, the Government has additional funds in hand as a result of this operation. The surplus proceeds of this issue will obviously be disposed of by the Government as seems best at the moment, and it is premature to assume that they will be exclusively or mainly diverted to the Exchange Equalisation Fund. In a few weeks' time they may help to cover the payment of the forthcoming 5 per cent. War Loan dividend, and in general they may permit of a reduction, or arrest an expansion, in the Treasury bill issue or in Ways and Means Advances from Public Departments. The Government rarely earmarks funds of this character for any specific purpose, and if a colluquialism is permissible in order to clarify a much-misunderstood situation, moneys thus raised, in common with all other cash receipts, invariably go "into the common pot," where they lose their identity. Various explanations have been put forward of the motives behind an issue of this character. One is that it was designed to test the gilt-edged market in preparation for a conversion operation, an aspect which is discussed in an Investment Note on a later page. Another is that it is intended to make further issues of this character with the specific object of substituting these bonds for Treasury bills. On this point we confess to some doubt. A security whose yield to some extent depends on the luck of the draw is not entirely suitable either for banks or the money market, even though the banks are apparently disposed to regard them as "floaters" up to their usual limit for bonds. It is, in fact, believed that neither the banks nor the money market took much interest in the offer, and that heavy tenders came from Public Departments. If so, the success of the operation is more apparent than real.

Coal Wage Negotiations.—As agreements which are distasteful to both participants tend to be concluded for very short periods, the prospect of a crisis in the coal industry is becoming almost an annual event. At the moment, another of these time-limits is drawing very near, namely, July 8th, on which date, in the absence of legislation, working hours in the coal mines are due to be reduced by half an hour a day. There is little question as to the Government's intention of introducing a Bill to prolong the seven and a half hour day, but so far there is no agreement between the parties concerned as to the terms and duration of this extension. The owners have offered to guarantee wages for another year if the seven and a half hour day is prolonged until the coming into effect of an international seven and a quarter hour convention. The miners, on the other hand, demand either that present wage rates be guaranteed for as long as the seven and a half hour day is continued, or that wages should be

regulated by national machinery. The first of these demands has a specious appearance of symmetry which has won it sympathy in many quarters, but actually it is a somewhat revolutionary economic theory which would tie a given wage rate indissolubly to a given length of working day. It is difficult to see how the owners could be expected to agree to bind their hands indefinitely in the face of unpredictable economic conditions, but their inability to do so makes it the more incumbent upon them to reconsider the alternative demand of the miners for a national machinery to regulate wages.

Cotton Wages.—The Cotton Spinners' and Manufacturers' Association, representing the weaving employers in the cotton industry, at a meeting in Manchester on Tuesday, decided, by a virtually unanimous vote, to abrogate the hours and wages agreement reached with the operatives in July, 1919. This particular agreement, writes our Manchester correspondent, provided for the working hours in the mills to be reduced from 55½ to 48 per week; and to compensate the operatives for reduced earnings their "list" wages were increased by 30 per cent. It is considered doubtful whether the weaving employers will attempt to force a general wages reduction, but manufacturers—when the one month's notice expires—will be able to arrange individual agreements with the workers regarding hours, wages and conditions; and it goes without saying that an increasing number of firms will come to separate terms and either reduce wages or attempt to introduce a working week in excess of 48 hours. Numerous firms have already seceded from the employers' organisations and introduced either wage reductions or an increase in working hours. This latest move ends for the time being collective bargaining and agreements, and has been brought about by the operatives' constant opposition to discussing in joint conference the more looms per weaver system or wages reductions.

The F.B.I. and Monetary Policy.—The Federation of British Industries has just issued a Report on "Industry and Monetary Policy." The introduction is mainly historical, and refers to "Britain's Pre-war Plan." According to the authors, in the pre-war period British monetary policy was directed, albeit largely unconsciously, along the lines of a consistent plan calculated to promote and foster British industry and commerce by active development of complementary as opposed to competitive countries. Thus British capital was invested in South America, the Empire, and the United States—at that time industrially undeveloped—but not in industrialised France and Germany. In those days, too, the world gold standard was, in fact, predominantly a sterling standard. All this is in a sense true, but we would be inclined to underline the word "unconsciously" so heavily as to end by suggesting that no pre-war plan really existed at all. We are also inclined to receive with some caution a recommendation of the F.B.I. that we should cease giving financial help to European reconstruction, on the ground that this involves making loans to competitive countries. After all, in 1913 Europe took £195 millions and in 1929 £235 millions of British goods, and trade of this magnitude is not to be sacrificed with equanimity. The Report finally comes to the primary objectives of British monetary policy. These are stated to be:—(*a*) To raise the level of sterling prices to a figure at which production can be carried on with reasonable profit; (*b*) the promotion thereafter of stability in the price structure and balanced production within the sterling area; (*c*) the conscious direction of the flow of savings into new investments calculated to secure the maximum of advantage for industry; (*d*) the direction of that part of the National savings available for external investment to countries within the sterling area, with the countries of complementary trade. With a view to promoting all these objectives, the opportunity of the Ottawa Conference should be seized to explore the possibilities of bringing about the maximum of mutual co-operation for the adoption of a common Empire monetary and financial policy, so designed as to facilitate the co-operation of those countries willing and able to co-operate with a sterling group, leaving the question of a possible universal monetary understanding to be settled at a later date, if and when monetary internationalism again becomes a practical proposition. With many of these proposals we find ourselves in sympathy, and, indeed, we think the British Government will be well-advised to recognise that Empire monetary policy will be one of the chief subjects for discussion at Ottawa. The main difficulty is how to achieve these objectives, and here we are bound to confess that some of the tentative suggestions of the F.B.I. appear more calculated to stimulate further deflation than a raising of the level of sterling prices.

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Sterling and Gold Prices.—A fortnight ago the sterling exchange rate stood at $3.77, as compared with a present level (Thursday) of $3.67½. Notwithstanding, however, this depreciation of the pound, our complete index of sterling prices shows a fall of approximately one-half of 1 per cent. Our index of gold prices also fell fractionally, whereas our index of the sterling prices of primary products rose by about 1 per cent. The discrepancy between the movements of the latter index and of our complete index is due to the fact that tin, which rose sharply during the fortnight as a result of the "output holiday" scheme, has a much larger weight in the short list of primary products than in the complete index. It will be seen that, between April 6th and April 20th, the four foreign index numbers, for which we are indebted to the *Financial Times*, all declined, with the exception of that relating to French prices, which remained stationary. The downward movement was most pronounced in the case of America:—

SEPTEMBER 18TH, 1931 = 100.

Date.	*Economist* Indices.			Irving Fisher, U.S.A.	Statistique Générale, France.	Milan Chamber of Commerce, Italy.	Statistisches Reichsamt, Germany
	Complete Index (sterling).	Primary Products (sterling).	Gold Prices.				
Sept. 30th ...	107·8	112·0	94·7	98·7	96·9	98·8	98·9
Nov. 11th ...	110·3	119·3	103·5	99·3	96·0	99·3	98·3
Nov. 25th ...	109·1	114·8	98·0	98·3	94·2	98·8	97·6
Dec. 9th ...	110·3	117·3	93·0	97·3	93·3	97·1	96·1
Dec. 30th ...	108·9	117·1	94·4	96·1	93·4	96·9	94·8
1932.							
Jan. 13th ...	109·6	117·7	94·8	94·5	93·8	96·3	93·8
Jan. 27th ...	108·3	115·7	93·8	93·5	93·6	95·8	91·6
Feb. 10th ...	108·6	117·3	88·8	92·2	94·2	96·0	91·5
Feb. 24th ...	110·9	120·9	89·6	92·4	95·1	97·2	92·0
Mar. 9th ...	109·8	116·3	90·3	91·8	96·7	97·2	92·1
Mar. 22nd ...	108·1	111·9	86·5	91·5	96·3	97·0	91·4
Apr. 6th ...	106·1	105·9	85·0	90·6	97·0	96·0	90·6
Apr. 20th ...	103·8	106·4	83·6	89·6	97·0	95·3	90·3
May 4th ...	103·3	106·5	83·4	...	...	...	...

In the next table we show in greater detail the sectional movements of the complete *Economist* index:—

(1927 = 100.)

	Sept. 18, 1931.	Apr. 20, 1932.	May 4, 1932.
Cereals and meat	64·5	73·4	73·1
Other foods	62·2	63·0	62·1
Textiles	43·7	48·0	46·6
Minerals	67·4	70·5	71·5
Miscellaneous	65·8	60·9	60·9
Complete Index ...	60·4	62·7	62·4
1913 = 100	83·1	86·3	85·9

The movements of prices in the textile group, under the lead of American cotton, was uniformly downward. The upward fluctuation in the minerals group reflects mainly the rise in tin.

Australian Finance.—Early this week the New South Wales State Taxation Commission bowed to the inevitable, and in compliance with the Financial Agreement Enforcement Act handed over to the Deputy Federal Taxation Commissioner in New South Wales all the documents relating to income tax assessments in his possession. The three floors of the State Taxation Office in Sydney, however, still remain locked and are reported to be "under guard" by members of the Timberworkers' Union. It certainly seems strange that this state of affairs should be allowed to continue, the more so as further defaults by New South Wales have raised the total amount to be made good by the Commonwealth Government to £3,058,000, of which only £440,000 have so far been recovered. This week a new Bill was passed, authorising the Commonwealth Government to secure *part* of any State revenue which had been or was to be attached for the repayment of a State default. This is apparently a technical measure, whose object is to permit the attachment of the net receipts of the New South Wales State railways and tramways, in contradistinction to the gross receipts, before defraying operating expenses. Canberra has also been concerned this week with monetary matters, for a new Government Bill has been introduced to enable the Board of the Commonwealth Bank to hold part of its "gold" reserve against the note issue in sterling, and to export all or part of its £10,000,000 gold reserve for conversion into British currency. At the prevailing rate of exchange such an operation will be highly profitable to the Commonwealth Bank and will also enhance the value (in Australian currency) of its reserve. Moreover, now that the British Government have established the exchange equalisation fund in this country, Australian opinion apparently believes that no serious loss to the Commonwealth Bank may be anticipated as a result of future fluctuations in sterling. It is understood that immediate gold shipments are not contemplated, and also that Australian banking opinion is not unanimously in favour of the Bill. It seems, however, a move in the right direction, both for Australia and the Empire.

German Discount Rate.—The Reichsbank reduced its discount rate on April 27th from 5½ to 5 per cent., the third reduction this year. It is safe to prophesy, writes our Berlin correspondent, that this will be the last reduction for some time. German banking law requires that bank rate should be not less than 5 per cent. as long as the notes of the Reichsbank are not backed to a minimum of 40 per cent. by gold and gold exchange. The cover ratio at present is 24 per cent., and there is no prospect of its being increased to 40 per cent. within the next few months. The latest reduction, the second in one month, has been freely criticised, for interest rates in the capital market have not fallen at all, and are still in the neighbourhood of 8-9 per cent., and sometimes very much higher. The Reichsbank, however, believes it to be its duty to reduce its discount rate as fast and as much as it can legitimately, in order to lighten the interest burden on German economy. A reduction of its bill portfolio, a decline in interest rates on the short-term money market, and above all the lower rates abroad, which have reduced the rates charged by the foreign banks to their German customers during the currency of the Standstill Agreement, made the reduction possible. The reduction automatically lowers the rates which the German private banks charge their debtors. The normal interest charged by the banks is now 7 per cent. per annum, inclusive of commission, against 10 per cent. three months ago. In order to cover their expenses the banks are, of course, obliged to reduce in proportion the interest they pay on deposits and they are now paying 2 per cent. on day-to-day deposits against 3½ per cent. at the beginning of the year. Time alone will show whether these rates will not lead to a great reduction in bank deposits; a counter-influence to any such tendency lies in the fact that the savings banks are still paying 4 per cent. on savings deposits. If there should be a decline in deposits a rise in the discount rate would be inevitable. The other danger evoked by the discount rate reductions, arises in connection with foreign exchange. In view of the low level of the Reichsbank's exchange reserves the inflow of support bills has to be artificially promoted, and one encouragement to it was the relatively higher home discount rate. For the time being, it is true, the inflow and outflow of foreign bills at the Reichsbank seems to be about balanced, so that the transfer of the interest on German long- and short-term foreign debt seems for the moment to be assured.

The Dnieper Dam.—A correspondent writes:—One of the most ambitious engineering feats of all time was concluded on March 28th last, when the giant dam of Dnieperstroi, in the Ukraine, vaster even than the Lloyd Barrage was finished. Three of the nine projected turbines have been installed, and this month the station will have a power of 372,000 kilowatts. When completed in the early part of 1933 it will boast a generating capacity of 756,000 horse-power, with an annual production of electrical energy of 2,800 million kilowatt hours, providing electricity for an area nearly one and a-half times that of England, with a population of roughly 16 million people. Power will be supplied for eight large industrial enterprises, including plants for metallurgy, coke and by-products, ferro-alloys, aluminium, firebrick, slag cement, fertilisers, and machine repairs. In addition, hydro-electrical energy will be used for the metal works at Dniepropetrovsk, Krivoi Rog and Nikopol, for the electrification of the Krivoi Rog-Zaporozhe-Donetz railway and for the agricultural areas of the lower Dnieper. Moreover, the Dnieper Dam will serve a double purpose. The level of the river above the dam will be raised more than 30 metres, thus completely covering the cataracts on the upper reaches which have hitherto impeded navigation. The river will consequently be made navigable along the whole of its course, and will form an important connecting link between the Baltic and the Black Sea. Electric engines will be used to pull vessels through a lock which will have three chambers, each with a rise of 12.5 metres, designed to deal with over two million tons of traffic per annum. The whole plant, which has been erected with the assistance of an American firm of consulting engineers, will have cost more than £20,000,000.

Record Transvaal Gold Output.—All previous records have been broken on the latest gold output statistics issued by the Transvaal Chamber of Mines. Production of gold on the mines of the Transvaal reached a new high record of 960,035 ounces of fine gold during the month of March. This compares with an output of 914,012 fine ounces in February and 910,998 fine ounces produced in March, 1931. In the following table we show the monthly output since the beginning of 1926:—

Month of	1926.	1927.	1928.	1929.	1930.	1931.	1932.
	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.
January	796,370	839,782	843,857	876,452	883,891	[illegible]	[illegible]
February	753,924	779,339	818,133	815,264	818,128	830,377	[illegible]
March ...	834,340	860,611	877,380	864,820	862,379	[illegible]	[illegible]
April ...	803,303	824,014	825,907	872,123	863,606	883,135	-
May ...	849,214	899,479	886,186	897,596	916,313	930,576	-
June ...	853,145	855,154	853,363	856,029	857,857	897,795	-
July ...	860,134	851,961	867,211	859,480	912,682	916,941	-
August ...	843,884	863,346	891,863	880,801	881,881	916,459	-
September	839,939	842,118	857,731	849,553	903,176	914,000	-
October ...	853,206	856,743	897,730	883,690	886,981	906,111	-
November	840,276	848,080	872,494	861,583	894,753	909,630	-
December	836,157	851,235	859,761	851,134	902,498	914,361	-
Total..	9,962,853	10,130,630	10,358,596	10,414,066	10,719,769	10,894,385	-

It will be noted from the above table that the trend of gold production has been steadily upward. The first three months of 1932 all make an excellent comparison with production in the corresponding months of the preceding years. The following table shows the number of natives employed at the mines during the past nine months:—

	July, 1931.	Aug., 1931.	Sept., 1931.	Oct., 1931.	Nov., 1931.	Dec., 1931.	Jan., 1932.	Feb., 1932.	March, 1932.
Gold mines	208,188	208,408	208,426	208,987	209,270	211,680	204,700	[illegible]	[illegible]
Coal mines	13,512	13,543	13,570	13,651	13,812	13,560	13,370	[illegible]	[illegible]
Diamond mines	1,517	1,506	1,538	1,517	1,429	1,440	1,380	[illegible]	[illegible]
	223,460	224,477	224,534	224,155	224,511	226,680	219,450	[illegible]	[illegible]

The native labour force continues to decline. No natives are employed at the diamond mines against 1,363 in February. Over 2,000 less are employed at the gold mines, which makes the record production figures more noteworthy.

INSURANCE NOTES.

Equitable Life Assurance.—The detailed returns furnished to the Board of Trade following upon the quinquennial valuation on December 31, 1930, are now available, and afford the means for analysing more closely the expansionist policy which has characterised the conduct of this old society in recent years. Since the year 1926, the date of the preceding valuation, the society's renewal premium income has grown from £802,000 to £458,000—an increase of over 50 per cent. The changes in the constitution of the business in force are analysed below:—

	December 31, 1926. Sums Assured & Bonuses. £	December 31, 1926. Net Liability. £	December 31, 1930. Sums Assured & Bonuses. £	December 31, 1930. Net Liability. £
Assurances—				
With profits	7,560,000	3,944,000	8,426,000	4,399,000
Without profits	3,387,000	903,000	4,500,000	1,100,000
Annuities	196,000 per annum.	632,000	419,000 per annum.	1,169,000
Sinking fund assurances	734,000	98,000	1,359,000	236,000

These figures illustrate the changing character of the business. The annuity business and sinking fund assurances have both approximately doubled, the former largely owing to the cultivation of deferred annuities as a means of superannuation provision. "Without-profits" business shows rather surprisingly more evidence of growth than the "with-profits" section, though the Equitable is in a favoured position to attract such policies, since the absence of commission agents enables it to offer specially low rates; and, in addition, mortgage investments have, no doubt, brought to it numbers of large "without-profits" life policies by way of collateral security. The year 1931 witnessed a further increase in new business transacted. New life policies were issued for sums assured of £1,297,000, compared with £975,000 in 1930, while new sinking fund policies and annuity policies have both considerably added to the totals already in force. Interest earnings were greater in amount, but the effect of the higher rate of tax has reduced the net rate earned from £4 12s. 0d. per cent. to £4 9s. 11d. per cent. The society's total assets now amount to £8¼ millions, and the Stock Exchange securities, comprising under £4 millions of this, are valued at or under market values on December 31, 1930. As compared with market values at the end of last year there is a depreciation on book values of £376,000, though, in spite of this, the society is able to state that, in the aggregate, the assets are fully equal to the stated values.

Scottish Equitable.—Although not quite up to the level of the figure reached in the preceding year—which was the society's centenary year—the new business transacted last year amounted to the substantial total of £1,375,000, and the fund now stands at £9,830,000. Interest income has been adversely affected by the rise in income tax—and no doubt also by defaults—and worked out at £4 7s. 6d. per cent. as compared with £4 10s. 8d. per cent. Expenses have been swollen by special items connected with the centenary celebrations, and absorbed the still quite moderate total of 14.7 per cent. of the premiums. The chairman's remarks on the society's investments made it clear that the society is in a strong position, though he acknowledged that the date on which the accounts are closed, namely, March 1st, was specially helpful on this occasion. On that date there was, he said, a small depreciation of minor importance which could easily be dealt with at the quinquennial valuation and distribution of bonus, which takes place a year hence. The Chairman's speech is noteworthy for the references it contains to the subject of taxation. It was recalled that when these were introduced in 1894, the maximum rate of duty was 8 per cent., the minimum rate is 50 per cent. Moreover, the method of assessing for death duties by means of a life policy may aggravate the amount of duty payable. For life policies are aggregated with all other assets, and the existence of a policy expressly effected to provide for duties may mean that duty is payable at a higher rate. Thus, the duty payable on an estate of £150,000 is £33,000. "The effecting of a life policy for £33,000 would render the whole estate liable to taxation at an increased rate, and in order to pass on the estate intact at £150,000 it would be necessary to make provision not for £33,000 but for over £47,000." There is here a strong case for some concession from the Chancellor of the Exchequer—if not for complete exemption for estate duty policies, then at least for non-aggregation of such policies; and the life offices claim that the indirect gain to the revenue through avoidance of the break-up of large estates and the reduced incentive to deeds of gift during the lifetime of large estate owners would more than outweigh the cost of any such concession.

"State" and British Equitable Assurance.—These companies are both subsidiary concerns of the Royal Exchange. The "State" controls the British Equitable, whose accounts are incorporated in those of the State. Both companies transact fire and accident business in their own names, and the British Equitable has also a small life account. The consolidated premium income shows some reduction on that of the previous year, and amounts to just over £1 million, made up of £650,000 from fire, £180,000 from accident, £155,000 from life, and the small balance from marine business. Except in the accident section, where profits have been consistently shown, the underwriting results have recently been unsatisfactory. This has been especially true of the fire department, which derives a substantial revenue from America, and the 1931 figures make none too good a showing:—

	1930. Amount of Profits. £	1930. Percentage of Prems.	1931. Amount of Profits. £	1931. Percentage of Prems.
Fire	— 3,398	—0·5	— 14,900	—2·2
Accident	12,667	6·9	11,331	6·2
Marine	6,067	12·3	3,662	7·5
Gross underwriting surplus	15,336		93	
Less items debited to profit and loss account	26,078		38,655	
Net trading loss	— 10,742		— 38,562	

In face of these results it is not surprising to find that the dividend, which, of course, is paid to the Royal Exchange, has been cut down from 40 per cent. to 25 per cent. An exchange reserve fund of £54,000 appears for the first time in the balance sheet, and has been created by utilising £31,000 from the general reserve of £250,000 and £22,000 formerly specified as a contingencies fund. The need for this fund arises from the depreciation of sterling in terms of dollars, and the consequent automatic increase in current liabilities of the American business. The American assets, on the other hand, have been valued at the rate of exchange ruling on December 31st last. The new life business of the British Equitable shows a reduction from £535,000 in 1930 to £461,000 in 1931, and the fund, after writing off £30,000 for depreciation, stands at £1,689,000. It is stated that sufficient profits have been

ULLMANN & Co.
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Telegraphic Address: ULMACO-AVE.

accumulated since the last quinquennial valuation on December 31st, 1928, to meet the depreciation in book values at the end of last year. No dividend has been paid by the British Equitable since 1923, apart from a small appropriation following upon the last quinquennial valuation.

Atlas Assurance.—The Atlas reports of late years have set so high a standard as to encourage the illusion of immunity from the effects of industrial depression. The 1931 report will finally shatter any such comfortable impression; for not only have premium income and underwriting profits fallen sharply but Stock Exchange depreciation has seriously depleted the company's resources. The foundation of the business is the fire account, and here premiums have fallen by £143,000 to £2,030,000, while the surplus is nearly halved:—

	1930. Amount of Profit. £	1930. Percentage of Premiums.	1931. Amount of Profit. £	1931. Percentage of Premiums.
Fire	194,525	8·9	102,771	5·0
Accident	36,398	7·6	55,376	11·4
Marine	...		...	
Life	22,390		24,399	
	253,313		182,546	
Less items debited direct to profit and loss account	139,140		165,785	
Total net trading surplus	114,173		16,761	

The dividend has been maintained at 32 per cent., tax free, but the payment requires an increased draft on trading surplus of £44,000. As the net trading surplus was £16,761, there was a small deficit on the year's working of £27,000. In addition, a sum of £125,000 has been taken from the reserves of the fire department in order to form an exchange reserve to cover net increase in current American liabilities, as a result of the depreciation of sterling in terms of dollars. In the life department new business has fallen heavily from £4,244,000 to £3,061,000—as a result, it is stated, of the dearth of group policies and staff schemes which have figured largely in recent totals. The rate of interest earned was over 5s. per cent. less at £5 0s. 5d. net, but expenses worked out at a lower percentage of premiums. The feature of the life account is the provision for depreciation. At the end of 1930 the book values covered a hidden reserve of £430,000. Not only has this now disappeared, but a further sum of £550,000 has been needed to bring book values down to market prices on December 31, 1931—a total depreciation of £980,000, equal to nearly 13 per cent. of the total mean assets. The source of this loss is, no doubt, the unusually large investments in foreign Government and municipal securities, which together account for over 17 per cent. of the total assets. Under normal circumstances a triennial declaration of bonuses would have been made at this time, but this has been postponed. In the meantime interim bonuses at the full rate of 48s. per cent. compound will be paid in respect of the years 1929, 1930 and 1931, but not for 1932.

Friends' Provident and Century.—The Friends' Provident is a mutual office transacting life assurance and annuity business, and since 1918 has owned, as an investment, the share capital of the Century Insurance Company. This company transacts in its own name fire, accident, and marine business, and specialises also in permanent sickness insurance, while the life department is conducted as a closed fund. This arrangement presented the Friends' Provident with a ready-made organisation which enabled it greatly to extend its business beyond the limited circle of Quakers by whom it had been founded, and among whom it had till then be confined. As an investment for the funds of the life policyholders the arrangement has, however, been conspicuously less successful; and the suspicion that the value placed on this asset in the balance sheet is excessive is strengthened by a study of the 1931 report. The detailed results of the operations of the Century during the past two years are as follows:—

	1930. Amount of Profit. £	1930. Percentage of Premiums.	1931. Amount of Profit. £	1931. Percentage of Premiums.
Fire	— 19,012	— 5·5	— 4,333	— 1·6
Accident	1,755	·7	— 2,462	— 0·9
Marine	— 20,054	—14·8	— 4,525	— 5·4
	— 37,311		— 11,320	
Less expenses, &c.	8,987		16,725	
Total net trading loss	— 46,298		— 28,045	
Plus interest income	43,991		37,299	
Total net surplus of the year	— 2,307		9,254	

A dividend of 12 per cent., costing £32,550, was paid for 1930, thus involving a net depletion of the company's resources by nearly £35,000, but no dividend for 1931 has been declared; and the interest income of the Friends' Provident, as parent company, is, of course, so much the less. The balance sheet of the Century shows total assets of £4,120,000, which were worth £259,000 less than book values. As there is no general reserve fund this deficit will have to be dealt with by a release from actuarial reserves of the life fund at the next valuation in 1934. Turning now to the operations of the Friends' Provident, and dealing first with new business transacted, the sums assured under new policies issued has fallen from £1,847,000 in 1930 to £1,521,000 in 1931, but against this a larger number of new annuity policies and sinking fund policies were issued, and the total assets have increased to nearly £8 millions. The investment in the Century accounts for £700,000 of this, and the absence of a dividend from the Century has reduced the rate of interest earned from £5 3s. 1d. per cent. net to only £4 8s. 3d. per cent. net. A valuation of the assets reveals a depreciation—apart from the book value of the Century investment—of £386,000. Provision for this depreciation would normally be made at the end of this year when the next valuation and distribution of profits falls due; but in the circumstances the directors have announced their intention to defer the valuation until 1934, and in the meantime to omit payment of interim bonuses for 1932.

Scottish Union and National.—This company is accustomed to maintain in the departmental accounts a reserve for unexpired risks equal to 50 per cent. of the premiums, but the figures which follow have been re-calculated, using the more customary 40 per cent. reserve:—

	1930. Amount of Profit. £	1930. Percentage of Premiums.	1931. Amount of Profit. £	1931. Percentage of Premiums.
Fire	46,612	3·5	—10,780	—0·9
Accident	1,830	6·8	1,438	5·4
Employers' liability	4,467	8·2	4,107	7·9
Miscellaneous	22,840	13·4	17,606	9·9
Marine	20,000	6·1	30,000	9·1
	95,749		42,371	
Less items debited to profit and loss account	74,298		129,268	
Total net trading surplus	21,451		—86,897	

These results relate to a premium income of £1,742,000, of which fire business contributes £1,155,000. Until 1929 the underwriting profits each year were remarkably stable, but in each of the last two years there has been a marked retrogression, principally due to the fire department. The dividend has been maintained for the fourth year in succession at 65 per cent., and is covered by interest earnings with a small margin. The large and prosperous life fund of £11 millions shows evidence of further expansion. New business transacted last year amounted to £2,435,000, an advance of over £200,000 on the corresponding total for 1930. The total balance sheet assets of £15,700,000 are retained at their previous book values, except that dollar assets have been valued at rates of exchange current on December 31st, and on this basis are stated to be within the market values. There is no reference to any exchange reserve to meet the automatic increase in current liabilities, unless this is the purpose of the creation of a contingencies reserve of £50,000, which has been deducted from underwriting profits in the above statement.

Overseas Correspondence.

UNITED STATES.

Credit — Finance — Stock Exchange — Industry.

(FROM OUR CORRESPONDENT.)

NEW YORK, April 27.

WHILE Congress continues to fritter away its time, some success is beginning to attend the new drive of the Federal Reserve banks to stop credit deflation. It is wholly untrue that any new currency has been issued with Government bonds as backing in place of the gold and eligible paper provided for under the old law. Government bonds, as partial security, along with gold, for Federal Reserve notes, can be used under the terms of the Glass-Steagall Bill, but it will not be done until the present free gold is used up, and that will not be for some time. However, Federal Reserve Bank purchases of United States Government bonds continue at the rate of approximately $100 millions weekly. This is bringing a rapid reduction in member bank borrowings in the cities, as the first use for the resulting expansion in member bank reserves is repayment of discounts. For the week of April 20th the member banks cut their borrowings by $64 millions, but in spite of this and a small reduction in Reserve Bank bill portfolios, total Reserve credit in use rose $14 millions. There was also a rise of $2 millions in currency circulation, but that was without special significance.

As yet, the effect of this credit drive is being felt only in the New York district. In the past week the member banks in the New York district, for the first time in several months, reported an expansion in loans and investments. The rise was nearly $100 millions, but deflation continued in other districts, so that the total increase in loans and investments for all reporting member banks in leading cities was only $61 millions. In due course, Wall Street believes, the excessive credit surplus here will cause an overflow into the interior, with a consequent increase in willingness on the part of the banks to make loans and to invest in the bond market. It is difficult for the banks to find employment for their money, and with the decline in bank failures and rise in confidence of public depositors the need for liquidity has greatly lessened.

There has been some disappointment at the delay in reducing the New York discount rate, but the excuse is given that under present conditions the rate means little, one way or the other. Besides, to succeed in its campaign for stopping credit deflation, the system needs harmony, and a further reduction in the New York rate would need perhaps similar action in the other districts, and also probably awaits further repayment of discounts. A system made up of twelve district banks must necessarily move slowly. Open market rates are far below the levels which usually bring a reduction in the official rate. Asking rate on 90-day bills is ¼ per cent. Call funds are officially pegged at 2½ per cent. on the Stock Exchange, but much money seeks employment at 1½ per cent. to 2 per cent. in the outside market, and loans are made on Government and other gilt-edged collateral at less than 1 per cent. Excess reserves of New York member banks in the Federal Reserve Bank, which means money available for lending but unable to find takers, have been at a daily average of from $75 to $100 millions for some time.

Bank suspensions in March fell to only 45, and there were [illegible] Closings in February were 122 and those for January were 342. The peak was reached last October, with 522 failures. The National Credit Corporation is rapidly bringing its operations to a close, partly because of less need for help from the banks and partly because the Reconstruction Finance Corporation is [illegible]

The Reconstruction Finance Corporation continues to [illegible] in a rather large way and with much good to the business structure. Actual use of money has been only about $300 millions, since the R.F.C. still has to its credit with the Treasury about $200 millions of the original $500 millions made available. Presumably, the whole shortly will be used, for the Treasury has agreed to subscribe to $250 millions of the R.F.C. debentures. It had been thought that the debenture issues would be sold to the public, but it turns out to be the plan of the Treasury to borrow directly itself and then turn the money over to the R.F.C., which doubtless means a lower interest rate.

The Treasury announced this week an offering of $450 millions of one- and two-year notes, to bear 2 and 3 per cent. interest coupons respectively, the amounts being equal for each maturity. The issues were reported as having a favourable reception. They were larger than had been expected, but it is recognised that the Treasury seized upon a favourable time to add to its already large cash balance and avoid borrowing later in the fiscal year. There is no indication that the Treasury in the last half of the fiscal year ending June 30th next will exceed the $1,500 millions of new money contemplated for that period. If that proves to be the case only $300 millions more will be needed.

Meanwhile, the deposit banks will find their Treasury deposits, on which they pay a half of 1 per cent., increased, and the banks probably will retain them longer than usual. In June the Treasury has $324 millions in certificates to take up, but no other early maturities. General new capital issues are still small and confined mostly to municipal and high-grade utility borrowing. They were about $45 millions last week.

The diversion created by the Senate's committee investigating Stock Exchange activities has been tinged with some anxiety. The inquiry was obviously inspired by the hope of the ruling party that it might develop evidence of heavy short selling by prominent politicians on the other side of the political fence. Also, the whole affair is a manifestation of the public's feeling that someone must be to blame for the business depression and the stock market losses which many have suffered. The committee at first sought to prove that short selling is largely responsible for the fall in market values and for trade slumps as well. It seems to be veering toward a mere fishing excursion into individual dealings which certain politicians might use to their advantage. Probably nothing much will come of the matter, but it is fairly certain that the Stock Exchange, well prodded out of its tendency toward lethargy, will institute some reforms on its own account which will add to its prestige.

If sentiment continues to improve under the sunlight of the Federal Reserve operations and the Reconstruction Corporation's activities, no change in actual trade conditions yet are discernible. This week some improvement in railroad traffic and a slight recovery in steel mill operations was reported, but the effect was offset by some discouraging earning statements for the first quarter and further dividend omissions. General Motors reported earnings of only 17 cents a share on its common stock, compared with 61 cents a share in the first three months of a year ago. The United States Steel Corporation did much worse, and in the first quarter fell short by a little over $1,000,000 in covering operating expenses and taxes. The deficit was further increased by depreciation charges and preferred share dividends. In the circumstances it was not surprising that the common share dividend was omitted. However, the Corporation has shown that in the poorest period it has yet experienced it can operate with virtually no out-of-pocket expense, and therefore the only reduction in the strong cash position will be preferred share dividend payments. These will be continued for a long time at least. All units in the steel trade are expected shortly to announce further salary and wage cuts.

The motor trade has had a disappointing response to its efforts to sell its new models, but the warmer weather is giving some encouragement. The Ford factories announce an increased schedule of manufacture. First quarter corporation reports are showing a drop in net earnings for industrial concerns of a little over 50 per cent. compared with last year, with little or no improvement

over the fourth quarter. Railroad earnings are running about 27 per cent. lower than in the 1931 first quarter, which reflects savings from the lower wage rates, the monthly average decline for some time having been nearly 45 per cent. Commodity prices are a trifle firmer.

FRANCE.

Politics — Industry — Employment.

(FROM OUR CORRESPONDENT.)

PARIS, May 4.

LAST Sunday's pollings in the General Elections resulted in the return of deputies for 249 out of the 611 seats contested—the remaining four consisting of some of the colonial constituencies, where first balloting has been fixed for Sunday next. The returns indicate an exceptionally heavy vote almost everywhere, from 80 to 90 per cent. of the electors having gone to the poll in the majority of the constituencies. The total figures show practically no transfer of votes anywhere, and prove clearly that there has been no real change in the country's opinions, except perhaps a slight hardening towards the Centre from both extremes. The total Communist vote, for instance, was about 250,000 smaller, while that of the Extreme Right was also less. All members of the present Cabinet who sit in the Chamber retained their seats, and so did the rest of the Party leaders of all shades.

The real decision now obviously depends on next Sunday's second ballots, and on the line M. Herriot will adopt when the complete results are known. It is now certain that the Cartel des Gauches is to be revived, and there is to-day some probability that these tactics may again prove successful; but exactly what form such success will take is a problem over which the whole country is now anxiously speculating. Everything depends on whether M. Herriot decides upon a Ministry of Concentration (in which case co-operation between the Radicals and most of the groups of the Tardieu-Laval majority would be assured, leaving the Extremists of both wings to form the Opposition), or upon a revival of the Cartel in the form it assumed after the 1924 elections, when the Socialists gave their entire support to a Radical Cabinet and largely dictated its policy, but refused to share Ministerial responsibility.

Meanwhile, since Sunday last, Socialist and Radical local party machines have already been hastily reviving the Cartellist agreements of 1924 and pledging themselves to withdraw in each other's favour, according to whether the one's or the other's candidate occupied the more favourable position in last Sunday's polling. At Radical and Socialist Party meetings yesterday resolutions were adopted in which each Party agreed, although in more or less veiled language, to make each other's way easier next Sunday. Similar arrangements have been come to in several constituencies between Socialists and Communists. Impartial estimates now forecast that, unless M. Herriot's dream of a Ministry of Concentration is realised, the new Chamber, thanks to the now generally expected "slight trend to the Left," will consist of two practically evenly-matched groups of parties, each commanding around 300 votes—which would render all hope of a stable majority illusory. This leaves out of the calculation, however, the possibility of many surprises next Sunday.

Coal production returns for March show a total output from the French mines of 3,888,000 tons during the 26 working days, as compared with 3,825,000 tons in the previous month (25 days) and 4,627,500 tons in March last year. Average daily production during the month was 149,538 tons, by a labour force of 267,140 units, against 153,000 tons in the previous month (270,256 units) and 177,982 tons (295,804 units) in March, 1931. The output of metallurgical coke by the colliery plants in March was 296,638 tons, against 275,446 tons in February, and 482,436 tons in March last year.

British coal exports to France are likely to be still further hit by a further series of modifications of the quota system, which were put into operation on May 1, as the result of decisions reached after conferences between M. Tardieu and the representatives of the miners' trade unions. Henceforward import permits will be granted monthly, instead of three-monthly, and will be based on monthly quotas. Hitherto the quotas have been based on a nominal maximum tonnage equivalent to 80 per cent. less than the average imports during the corresponding periods in 1928, 1929 and 1930, while a fairly large excess margin of entries has been tolerated. This excess tonnage has latterly been estimated at 120,000 tons, which coal owners and miners' unions allege to be an under-estimate. From now onwards entries of metallurgical and ordinary cokes will be included in the coal entry quota, which will have a nominal maximum equivalent to 40 per cent. below the average entries during the three years, while excess entries will be brought down to an appreciably lower maximum. These modifications are expected to reduce total coal imports by about 3,000,000 tons a year, or 250,000 tons a month. Total imports of foreign coal, which during recent years have been about 32,000,000 tons a year, will thus be brought down to 18,000,000 tons, of which 12,000,000 tons will consist of Welsh anthracite and other special qualities which the French coalfields cannot provide. This further limitation of foreign coal entries, it is estimated by M. Maes, the Secretary of the French Miners' National Federation, will reduce unemployment among the French miners by four days per calendar month. As the men employed by most of the coal companies are at present laying off to an average of eight days a month, the new quota modifications would apparently reduce unemployment among the miners by about 50 per cent.

Iron and steel production figures for March indicate that output under both heads remained unchanged at the February figures. Total output of pig iron was 469,000 tons, against 461,000 tons in the previous month, 775,000 tons in March, 1931, and means of 836,000 tons in 1930, 864,000 tons in 1929, and 832,000 tons in 1928. In March 78 blast furnaces were in activity, against 133 in March last year. The output of crude steel in March was 464,000 tons, or exactly the same as in February, against 722,000 tons in March last year, and monthly averages of 787,000, 808,000 and 792,000 tons during each of the previous three years. The new British import duty of 33⅓ per cent. on foreign steel and kindred products is regarded by the French steel industry, when taken in conjunction with the 25 per cent. advantage due to the drop in the pound, as equivalent to an embargo of nearly 60 per cent. against French steel products. As French steel exports to Great Britain in 1931 amounted to 420,000 tons (out of total British steel imports of 1,258,000 tons), steel production figures from April onwards are expected to show a substantial decline.

Unemployment figures continue to decline. The number in receipt of unemployment pay on April 23 was 290,224, or a diminution of 5,310 on the week and of 15,272 during the five weeks since March 19, when the number reached the record figure of 305,416. The Labour Ministry's systematic inquiry as to the situation in all establishments employing over 100 hands indicates that at the beginning of April the total employed was 2,402,487, against 2,824,497 at the beginning of April last year, or a shrinkage of 14.94 per cent.

GERMANY.

Employment Loan — Reichsbahn — Herr Warmbold.

(FROM OUR CORRESPONDENT.)

BERLIN, May 3.

THE Government has decided to raise a loan for the provision of employment, as demanded by the trade unions at their recent congress. It is true that no formal Cabinet decision has been taken yet, but, as the plan has already been published as an official programme, the Government will have to adhere to it in any circumstances, although a number of points which are still unsettled may give rise to considerable difficulty.

One of the principal issues which has not yet been decided is whether funds are to be provided immediately, by means of advances, without waiting for the result of the issue. The unions demanded that the Reichsbank should provide a very large sum in the interval by purchasing bills from those *entrepreneurs* who execute the contracts, promising in advance to prolong them until such time as it becomes possible to redeem them out of the proceeds of the loan. The Reichsbank certainly will not agree to that. At the most, it will only advance such a sum as is absolutely certain to be recoverable during the next few months out of the proceeds of the loan. To such an advance there could be little objection, as it would have no undesirable effects on the currency, while, on the other hand, if relief works are to have any point they must be begun at once, since many kinds of work are only possible in summer. The loan is to bear a low rate of interest, and is to take the form of a premium issue with a very good chance of premature redemption. In addition, it is to be tax-free. There is to be no limit to the amount of the loan, so that, for the present at any rate, all applications will be accepted.

This rapid acquiescence of the Government in the unions' demands is not due only to the difficulties of the labour market, though these make the political position very difficult. The Government has a further object, in addition to the provision of work for the unemployed. One of the chief purposes to which the proceeds of the loan are to be applied is the settlement of small farmers in East Germany. That will create employment is so far as houses, roads and agricultural equipment are required, and the settlers themselves will be withdrawn from the labour market, but this method alone will not solve the problem of what is to be done with the land of those large farms of the East Prussian provinces which have already gone bankrupt, or for which bankruptcy is imminent. Not all the relief measures have been able to prevent a large proportion of these large farms from being declared beyond all hope of financial rehabilitation, and, therefore, outside the scope of the legislation providing for the reduction of debt. The creditors, most of whom are credit institutions, naturally wish to rescue some part of their claims, and it is in the general interest that they should be able to do so. This, however, is only possible if the market for agricultural land, which has ceased to exist in Eastern Germany except in a few districts, can be recreated. The proposal is now to buy part of this land for settlement purposes out of the funds provided for the creation of employment. If, however, the object of a maximum of relief to the labour market is to be achieved, the smallest possible amount of money will have to be spent on the acquisition of land, and in this there is a certain contradiction between the two purposes of the programme which will have to be met by compromise.

The Germany Railway Company suffered very severely in 1931 from the effects of the crisis. Its revenue fell from Rm. 4.57 milliards to Rm. 3.85 milliards. Of this decline of Rm. 721 millions (15.8 per cent.), Rm. 195 millions were in respect of passenger traffic, 532 millions in goods traffic and the rest in other forms of revenue. The fact that passenger traffic, though scarcely less sensitive to crisis conditions, declined less than goods traffic (14.5 per cent., against 18.7 per cent.), is probably due to the particular attention which the Reichsbahn has devoted to this branch of its business. It ran nearly as many passenger trains as in the preceding year, and more than in 1929, when the volume of traffic was at its highest. The number of goods trains, on the other hand, was severely curtailed.

Expenditure amounted to Rm. 3.62 milliards, against Rm. 4.09 milliards in 1930, and working profits to Rm. 226 millions, against Rm. 480 millions. Even in 1930 the profits were not sufficient to cover reparations payments and debt service, which then amounted to Rm. 660 millions and something over Rm. 100 millions respectively. The balance brought forward was requisitioned, and the Reich also contributed to the balancing of the railway budget by cancelling credits previously granted. A very great part of the difficulty had to be found in 1931. In spite of the Hoover Moratorium, there was little reduction in the Railway's reparation burden. Until the summer they had to make full payment under the Young Plan, amounting to Rm. 880 millions for the half year. When the Hoover Plan came into force, the Reich had to deposit with the B.I.S. bonds of the Reichsbahn as security for the conditional annuity. The Reichsbahn received no compensation from the Reich for these bonds. The assumption of the debt was regarded rather as a return for the reduction in the reparation levy. The Reichsbahn has thus only improved its position by the Hoover Plan to the extent that the new debt is less than the reparation levy would have been, that is, by about Rm. 25 millions from July 1st to December 31, 1931. In addition, it has the advantage of an improvement in liquidity, as the debt is redeemable in ten years, whereas the reparation payment would have had to be made in the current year. This enabled the Reichsbahn to avoid, as it would otherwise hardly have been able to do, the assumption of any kind of short-term debt.

In order to meet all payments it was necessary in 1931 to withdraw Rm. 442 millions from the so-called equalisation reserves and Rm. 76 millions from the dividend reserves. Though this has not exhausted all the reserve funds the Reichsbahn is very uneasy about the results of the current year, especially as the figures for the opening months of 1932 are anything but satisfactory.

At the moment of writing the resignation of Herr Warmbold, the Minister of Economics, seems certain, but there is no authentic information as to the reasons for it. There have probably been differences of opinion with the Minister of Labour, Herr Stegewald, on the Employment Loan and perhaps also on the legal limitation of hours of work which the unions are demanding and which the Minister of Labour wishes to carry out to a limited extent. Probably, however, a far more decisive part than the suspicious public, with its ready belief in serious political conflicts behind the scenes, is willing to accept, has been played by the desire to be free from the burden of an office in which Herr Warmbold has experienced a perpetual conflict between economic reason and political possibility, especially with the sphere of international trade relations. The Minister's resignation opens the way, of course, to all kinds of political combinations, but no serious danger to the Brüning Cabinet is at all likely.

HOLLAND.

Shipping — Import Quotas — Money.

(FROM OUR CORRESPONDENT.)

AMSTERDAM, April 19.

IT is understood that the Government is planning to provide support for the Dutch shipowners, or is at least investigating schemes to that end. As will be remembered, the Netherlands Association of Shipowners, comprising about 96 per cent. of the Dutch mercantile fleet, submitted an address to the Minister of Labour, Commerce and Industry some three months ago, drawing attention to the critical situation prevailing in Dutch shipping.

The ruinous effects of the depreciation of sterling on many Dutch shipowning enterprises are almost beyond exaggeration. The Dutch flag has been eliminated from the freight market, and the regular line services have been so badly hit that in consequence of the exchange position alone, each journey inevitably is made at a loss. It is obviously out of the question to economise in running expenses to such an extent as to compensate fully for the loss on the exchange. It is well known to what an enormous extent shipping is being subsidised in a large number of foreign countries, particularly in France, Italy, Japan, Spain and the United States. This policy of subsidising is in the first place to be blamed for the great surfeit of vessels and the excessive expansion of the capacity of the world's mercantile fleet. If a change for the better does not materialise very shortly, and if the operating charges remain so high for Dutch shipowners as to force them to give up in favour of their competitors, disastrous results will be inevitable. The Netherlands Association of Shipowners has advocated that the

Government should follow a policy of encouraging a reduction in the cost of living, thus enabling wages to be adjusted in relation to the international competition, caution in seeing that measures of commercial policy do not benefit one industry at the expense of another, encouragement to the use of Dutch vessels, the reduction of piloting and port dues, protest against the preferential rates of the German railways, and expansion of the traffic with Russia under the Dutch flag.

The annual report of the Holland-America Line, issued meanwhile, also shows only too clearly the alarming extent to which Dutch shipping is suffering under the prevailing crisis. The company's operations resulted in a deficit of 7,755,569 guilders in 1931, against 2,355,722 guilders in 1930. The passenger traffic to and from North America declined from 31,618 to 18,898 persons. The company withdrew from the Java-New York Line, and resorted to the sale of ships. In consequence of the losses sustained, the cash position of the company has been impaired to such an extent that even the standing commitments for payment of interest and redemption could no longer be met. A scheme for reorganisation has now been submitted, involving a reduction in the share capital from 25 million guilders to 2½ millions, and in the debentures from 500 guilders to 400 guilders. Against this reduction and the arrears of interest, the debenture-holders are to receive new shares in two years' time. By means of drastic economies, the management has succeeded in making the operation account balance once more. In view of the uncertain future, however, it is quite possible that still greater losses are yet in store for the debenture-holders. Government support is accordingly becoming a more and more urgent necessity.

The meat quotas are in future to be based on the years 1929, 1930 and 1931, so that the quantities permissible become more correctly apportioned among the various countries. The quota restrictions on meat have accordingly been prolonged for three months, until July 15th. Denmark's quarterly quota is more than doubled thereby, while the quota for the Argentine has slightly decreased from 1,369 tons to 1,174 tons. The total importation of meat permissible in the next three months will now be 2,379 tons, as against 1,935 tons in the three months just expired. During the three months commencing April 1, 1932, the importation of butter from every country is restricted to the average quantity imported quarterly from such country during the years 1928, 1929 and 1930.

The yield of State revenue showed a further decrease in March; but, thanks to the operation of increased and new taxes, the decline has not been large. The revenue in March totalled 34.7 million guilders, as against 37.9 million guilders last year. In making the comparison with last year, however, a correction corresponding with the revised tax apportionment between the State and local authorities is necessary, in consideration of which correction the revenue would be 34.24 million guilders, as compared with 36.9 million guilders last year, thus reducing the decline to 2.68 million guilders. These satisfactory figures occasioned a firm tendency for State loans on the Stock Exchange, and municipal loans also registered advances.

The Minister of Finance has again announced the issue, on April 21st, of exchequer bonds to a maximum value of 130 million guilders, for the purpose of financing cash requirements. Great liquidity continued to prevail on the money market. Prolongation money was plentifully offered for 1 per cent., whilst private discount rates have dropped to ⅛ per cent. The great extent to which the acceptance business in the Netherlands has declined through the abnormal circumstances is amply displayed by the following figures published by the Netherlands Bank, showing the value of acceptances in circulation (in millions of guilders):—

	1930.	1931.
First quarter	377·7	274·7
Second quarter	308·9	262·7
Third quarter	270·7	146·8
Fourth quarter	290·6	146·1
Total	1,247·9	830·2
In circulation at end of year	282·2	140·6

The gold position of the Netherlands Bank, as shown below, continues to become stronger week by week as a result of the satisfactory position on the foreign exchange market.

(In millions of guilders.)

	March, 14th.	21st.	29th.	April, 4th.	11th.
Gold stock	875·6	876·1	879·4	885·7	891·4
Foreign drafts	84·3	84·3	84·4	84·4	84·4
Balances abroad	34·7	36·7	42·0	35·8	34·5
Total	994·6	997·1	1,005·8	1,005·9	1,010·3

This gradual augmentation of the strength of the bank's position, coupled with the liquidity of the money market and the favourable level of the guilder rate of exchange, has induced the President of the Netherlands Bank, Dr. Trip, to decide upon a reduction of the discount rate from 3 per cent. to 2½ per cent., while the rate for loans on merchandise was decreased to 3 per cent.

ITALY.

Proceeds of Loan — Bank of Italy — Exchanges.

(FROM OUR CORRESPONDENT.)

TURIN, April 18.

THE outstanding event of the past fortnight was the remarkable success of the one billion lire issue of nine-year 5 per cent. Treasury Bonds, a success even more remarkable than was previously anticipated. The total sum subscribed was around 4,400 millions. This heavy oversubscription was in part due to the anxiety of capitalists anxious to secure the largest possible sum in case of allotments; but it was largely due also to a genuine offer of savings by the public. As Signor Olivetti observes in the *Stampa*, the fact that subscriptions did not proportionately reduce bank deposits, suggests that in Italy also there has been a certain amount of hoarding due to mistrust of banks and stock exchanges. The subscription, which should have remained open until April 20th, was closed at the end of the second day, and an official statement soon afterwards announced that the Treasury would keep 4 billion lire, returning the remaining 400 millions to subscribers. On April 9th a motion was voted by the Great Fascist Council to the effect that 905 million lire were to be used in repayment of the 4.75 per cent. Treasury Bonds, due on November 15th, one billion to finance public works and State purchases of industrial supplies, one billion to meet the Budget deficit, and the last billion to be credited to the Liquidation Institute, so as to enable it to reduce its debt towards the Bank of Italy. Such an allocation is highly significant, as it means that, leaving aside the first billion, which is merely substituted for the old 4.75 per cent. Bonds, the other three billions will be divided into two parts, of which two are to be put into the State Exchequer. These two billions will go far to cover the 1931-32 deficit.

The most interesting utilisation of the proceeds of the loan is, however, that whereby one billion lire is credited, through the Liquidation Institute, to the Bank of Italy. The Bank of Italy balance sheet of March 31, 1932, shows on the assets side a credit of 1,613 million lire with the Liquidation Institute, which I have previously described as a reservoir of frozen assets, which should have been dried up little by little by means of generous gifts on the part of the State and the Bank. Its origins go back to the great post-war slump of 1921-22, when about 4,000 million lire of frozen assets—which really amounted to losses—were taken over from the Banca Italiana di Sconto and the Banco di Roma. With a patient stewardship, the figure was reduced to 600 millions at the end of 1930, to go up again in the spring of 1931, reaching at last the above sum, for which the Banca Agricola Italiana, a bank connected with the many Gualino ventures, were mainly responsible. The loss should have been made good by means of a yearly gift of 200 millions from the State Exchequer and of part of certain banking taxes and of the profits of the Bank of Italy. The allocation of 1,000 million lire out of the

proceeds of the Treasury Bonds issue, will again reduce the credit of the bank to a manageable figure and enable it to reduce circulation correspondingly, or, according to the current opinion, to increase discounts and advances without resorting to inflation. In short, this Treasury Bonds issue, in so far as this one billion is concerned, would have been a device for snatching notes from timid hoarders and putting them again in circulation; a somewhat costly device, but understandable enough in these hard times. Much speculation is afoot as to who will benefit from the enlarged credit policy of the Bank of Italy. Discounts and advances reached on March 31st the total of 5,637.7 million lire, against 4,371, 3,940, 5,213, and 3,853 at the same date in 1931, 1930, 1929 and 1928 respectively. There seems to be no need in the face of these figures for any reflationist credit policy. If easier banking facilities by the Bank of Italy are deemed necessary, it will probably be not so much for the sake of stimulating industry as of easing its financial situation, which, indeed, is industry's most urgent problem at present, in Italy as elsewhere.

The solution of this problem, however, cannot be taken in hand at present, on account of the foreign exchange situation. During 1931 the gold held by the bank increased by 829.5 million lire; but the gold exchange securities diminished by 2,156.3 millions, with a net decrease of total reserves of 1,826.8 millions. During the first quarter of 1932 gold increased by 1.6 million lire, while gold exchange securities decreased by 636.5 millions. The total reserves on March 21st (5,627.9 millions gold and 1,533.7 millions gold securities) are, however, amply sufficient to guarantee a circulation reduced to 13,876 millions. The puzzle in the Italian position with regard to foreign exchanges and the balance of international payments is: since the excess of imports over exports in the first quarter of 1932 was of only 530.5 million lire, against which should be credited the invisible items of our balance of payments, certainly still favourable notwithstanding a decrease in foreigners' expenditure and emigrants' remittances, what is the cause of the decrease in the gold exchange securities held by the Bank of Italy? The recall of foreign deposits should have spent its force in 1931. Except for a rediscount of 367.8 million lire obtained by the Institute for Industrial Loans (Consorzio sovvenzioni valori industriali) from the Bank for International Settlements at Basle, there are no current capital sums due from Italy to foreign markets. On the contrary, it is probable that Italians have large foreign balances, though these are partly frozen. Professor Mortara, in the *Prospettive Economiche* for 1932, also endeavours to solve the puzzle, quoting among other causes of the decrease of reserves in the face of a favourable balance of payments, possible purchases of future lire, exceptional credit terms to foreign buyers—Russian buyers for instance—difficulties in the cashing of foreign credits, keeping abroad by Italian exporters of their funds, and exports of capital. Reasoning from known data, and barring unforeseen developments, hopes are entertained that the tendency to a decrease in the foreign exchange securities held by the Bank of Italy may have spent its force, and that any further decrease will be due to a deliberate policy of the bank of exchanging gold securities for gold proper.

AUSTRIA.

Import Restrictions — Prices — Russian Treaty.

(FROM OUR CORRESPONDENT.)

VIENNA, May 2.

Week after week the Austrian National Bank sees its holdings of foreign values constantly decreasing, while there is no prospect of getting fresh supplies of foreign means of payment, either through a loan or through increased export trade. At the end of March the National Bank's holdings of foreign exchange were still over 60 million [illegible] but at the end of April they can scarcely have exceeded 30 millions. The gold holdings of the Bank, 179 million schillings, are still intact, but the management of the Bank has relatively little say in regard to the disposal of this gold, for it is for the most part tied up in foreign countries. It is, therefore, not surprising that the Bank has used its influence to induce the Austrian Government, after long hesitation, to introduce import limitations in Austria.

About 50 items of the Austrian customs tariff will from now on be importable only with the special permission of the Government. These goods, which are not all articles of luxury, represent a sum of about 350 million schillings. As, in addition to caviar and decorative plants, the list contains such items as cattle, calves and pigs, butter and lard, cotton fabrics and motor tyres, automobiles and chemicals, it is out of the question completely to prohibit importation of these articles, and the utmost that can be saved is a sum of 200 to 250 million schillings. This represents only one-third of the yearly deficit on the Austrian balance of trade, but the purpose of limiting importation is not to constrict it to such an extent that no more foreign exchange will be necessary for the future; the new import-permit system merely represents a means of exercising pressure upon neighbouring States with the object of getting them to take more goods from Austria. The import limitations are so constructed as to favour those countries which import the larger quantities of Austrian goods.

The chief danger of the introduction of these limitations will be that the level of prices may rise. The Austrian Institute of Trade Research mentioned in its last publication that prices in Austria have corresponded fairly accurately to the depreciation of the schilling abroad, and in recent months the prices have been 27.4 per cent. above the world market (gold) level. Up to September the movement of prices in Austria was exactly parallel with that in gold standard countries. From October onwards the rise in Austria has been greater, and in April it reached the excess of 27.4 per cent. For a long time the schilling stood abroad at a discount of 31 per cent., but an enhanced demand for purposes of foreign tourist traffic and Russian purchases of schillings, have recently brought about a considerable appreciation of the schilling, so that the discount on the various foreign markets is at present fluctuating between 20 and 25 per cent. Before the issue of the importation limitations in Austria there was a certain tendency to a decline in prices in the country. Whether this tendency will be maintained after the publication of the new regulations is, unfortunately, very doubtful.

The interest which the Russians at present have in acquiring schillings is explained by the negotiations for the new Austro-Russian trade treaty. Up to the present the Russians have been selling their exports for the currencies of the various purchasing countries, and with the proceeds of the sales they have immediately bought dollars in the open market, as the payment for Russian orders has had to be in dollars. On account of the foreign exchange regulations in Central Europe, it has no longer been possible for the Soviets to use their exports to procure dollars. They have therefore been trying very hard for months to get out of their dollar obligations of the past two years and also to get permission to pay for a large portion of what they order in Central Europe in the currencies of the respective countries. After lengthy negotiations with Austria the Russians have succeeded in obtaining permission to pay a third of their old commitments, viz., 4 million dollars out of a total of 12 million dollars, in Austrian schillings, and the new orders, which the Russian desire to place in Austria, will be payable to an extent of two-thirds in Austrian schillings and only one-third in dollars. As the Russians cannot sell such a quantity of merchandise in Austria as to cover their commitments from orders to Austrian industry out of the proceeds of exports to Austria, they are naturally greatly interested in the purchase of schillings. In view of the discount on the schilling abroad, the Soviets manage to save in this way at least a quarter of the value of the goods.

HUNGARY.

Mr Tyler's Report — Finance— Trade.

(FROM OUR CORRESPONDENT.)

BUDAPEST, May 2.

THE Budget estimates for 1932-33 have passed the Financial Committee of the House of Deputies without alteration, and there is every reason to believe that they will be voted by Parliament before the present financial year ends on June 30th. The second quarterly report of Mr Royall Tyler, the League resident representative in Budapest, dealing with the financial situation in the first quarter and the prospects of the future, appeared at a particularly opportune moment, on the eve of the general Budget debate. Its conclusions have already found wide echo in the Press and in parliamentary discussion, both in Government and Opposition circles. Mr Tyler states with satisfaction that the Hungarian Government has made further notable progress towards balancing the State's finances, and it has kept current expenditure within the limits of its programme announced when the League Financial Committee visited Budapest in October last. On the other hand, the report strongly and justly criticises the finances of the State undertakings and those of the local authorities, the deficit of which threatens the financial recovery of the country. Thorough investigation by some energetic and objective agency and unreserved publication of its findings are required. So far, such economies as have been realised appear to be trifling, observes Mr Tyler, and he declares that in view of the sacrifices which the taxpayer is making in order that the State's Budget may be balanced, the local authorities cannot be permitted much longer to spend on the scale reached in the years of prosperity, even if a serious constitutional issue has to be faced in this connection.

The finances of the cities, towns, counties and communes are in a very bad way. More than one local authority has recently been unable to pay the salaries of their employees. According to the figures of Mr Tyler's report the deficit of the local authorities in 1931 amounted to 54.6 million pengö, and although a parliamentary sub-committee was engaged to carry out the necessary curtailments in expenditure to restore budgetary equilibrium such results as have been reported up to the present (April 15th) are disappointing, and there will be a substantial deficit in 1932. The debts of the local authorities are reported to amount, as at December 31, 1931, to 747.2 million pengö, of which 421.4 million pengö was accounted for by the city of Budapest. The wasteful expenditure and the reckless borrowing of the public authorities has in no small degree contributed to the financial plight of the country.

The economic situation shows no sign of improvement and the prospects are not encouraging. Foreign trade returns show further contraction. The first quarter of 1932 has resulted in an adverse balance of 12.8 million pengö, imports amounting to 85 million pengö and exports to 72.2 million pengö. The total value of the exports are so low that they would not suffice to maintain the service of Hungary's foreign indebtedness (about 25 million pengö per month), even if the importation of foreign goods were entirely stopped.

As to commercial policy, Mr Tyler observes that the results of the exchange clearings agreements are not satisfactory. The drawback of the Austrian clearing agreements is that Hungarian importers, able to secure means of payment that the accepted in Austria, buy from them articles which are either not needed in Hungary or might be bought, if exchange were available at more advantageous prices on other markets. Great consternation was caused in Hungarian agrarian and commercial circles by the recent decision of the Austrian Government to prohibit the importation of cattle, poultry, eggs, milk, wine, etc., articles which form the bulk of Hungarian exports to Austria. A new quota treaty with Austria will be necessary, and there is little doubt that it will result in a further strangulation of trade. Negotiations with Czechoslovakia for a more satisfactory commercial treaty have been unsuccessful, and Germany does not show much willingness to take Hungarian agricultural products.

There has been an increase in cereal prices of late, because the surplus was exported last autumn, but there was a marked fall in the price of horned cattle. In the rural districts the peasants are compelled to kill their cattle because they cannot afford to feed them. Mr Tyler's report points out that over the last two years the decrease in wholesale prices have only amounted to 5 per cent., whilst in most countries of Central and Eastern Europe it has been between 20 per cent. and 30 per cent., and there was actually an increase last year. As regards private banking, Mr Tyler is of the opinion that the wisdom of distributing dividends—as practised by the Hungarian banks with one exception for the past year—is questionable where the value of the banks' holding probably represents, at any prices that could be obtained at present, but a fraction of that given in the balance sheets.

BULGARIA.

Exchanges — Debt Relief — Sugar.

(FROM OUR CORRESPONDENT.)

SOFIA, April 14.

AT MARCH 31st the National Bank's reserves of foreign exchange were 207.5 million leva, which, together with the gold reserves, give a cover of 35.73 per cent. of the note circulation and other sight liabilities. There is not the slightest possibility of increasing the foreign exchange reserves. The collapse of commodity prices is the chief obstacle, since grain constitutes the most important item of Bulgarian export. For the first three months of the current year, the unfavourable tendency, already visible in 1931, grew worse, especially during March, which, in spit of a decrease in imports, brought an unfavourable balance of 73.1 million leva, against a favourable balance of 207.3 million leva for the corresponding period of 1931.

In addition, the difficulties in the way of exports are increased by Customs barriers, import quotas, and foreign exchange clearings, so that the inflow of foreign currencies is almost prevented. By a new restriction order, the National Bank commandeered all reserves of foreign exchanges within the country under heavy penalties. The Bulgarian delegates will insist, before the Council of the League and the Council of Foreign Bondholders, on a reduced ratio for the valorisation of the pre-war loans according to Article 8 of the Agreement of December 1926, and on a further postponement of the amortisation and a reduction of the interest on the post-war State loans of 1926 and 1928, in accordance with the fall in commodity prices since 1929. Though these temporary relief will be of great value, full financial and economic recovery cannot be attained without new foreign credits, and the Report of the Financial Committee of the League recommends financial assistance. The inflow of foreign capital will help to mobilise the frozen assets in the country and thus enable the rationalisation of Bulgarian farm production and increase the output per acre. During the last five-year period 1927-31 the average wheat yield per hectare of cultivated land was only 11.2 quintals against 24 in Great Britain, and over 30 quintals in Holland and Denmark. Foreign capital would make possible some substitution of grain production by the production of other commodities whose prices have fallen less and which command a better export market. In this connection the proposed Danubian Federation is of great importance, for Bulgaria will have to be included. The economic relations of Bulgaria with the five Danubian States, Austria, Hungary, Czechoslovakia, Roumania and Yugoslavia, are on a firm basis. During 1931 a quarter of Bulgarian foreign trade was conducted with these States: exports to them were 1,465 million leva, out of a total of 5,934.2 million leva, and imports from them were 1,104 million leva, of a total of 4,600 millions.

The Minister of Agriculture, as a representative of the Agrarian party in the Cabinet, has introduced a Bill for the alleviation of the debts of the farmer-proprietor, while the Minister of Justice, as a representative of the Radical

Liberal Party, did the same for the reduction of indebtedness in general. For those farmers whose properties do not exceed 25 hectares of land, that is, nine-tenths of all 840,000 Bulgarian farms, and with a debt up to 200,000 leva, the alleviation is to 40 per cent. of their debts contracted before January 1, 1931. The repayment of the remainder of the debt is to be made in several instalments. Four hectares of the general land property of a farmer form a so-called "untouchable" part, which cannot be sequestered or sold for debts in any way.

In regard to general indebtedness, each case is to be dealt with individually. Reductions are to vary from 1 to 30 per cent., and terms of repayment are to be revised. These legislative measures relate only to debts owing to private banks and individuals, while debts to the State, the State banks (National Bank, Agricultural and the Central Co-operative Bank), the Bulgarian Mortgage Bank (which works with foreign capital) and the Co-operative Popular Banks, remain as before.

According to the new law for sugar production, the five sugar factories in the country, four of them working with foreign capital, have been obliged to enter upon new agreements with the Ministry of Agriculture, which will fix strict quotas for the cultivation of sugar beet and production of sugar. For the next sugar campaign the total output of sugar is fixed at 26,000 tons, covering domestic consumption for a year. At present the sugar factories hold stocks of 45,000 tons, produced for export under State bounties. These export bounties have been abolished, so that the sugar export problem is aggravated after October 1st, and will be more so when the factories will no longer be able to sell for domestic consumption.

Letters to the Editor.

THE POLITICS OF THE SCHELDT.

TO THE EDITOR OF THE ECONOMIST.

Sir,—Will you allow me to offer some comment on your note on "The Politics of the Scheldt" in your issue of April 9th? It is quite true that the negotiations between Holland and Belgium about waterway questions and other matters have been dragging on now for many years, but your view of the position seems to err on the gloomy side. If the essentials of the case are remembered, there will be no temptation to compare it with the evil sores of Eastern and Central Europe. According to your account, the crux of the matter is Antwerp's communication with the sea by means of the lower Scheldt, which is under Dutch sovereignty. To this you add the Washington puzzle, the significance of which is, however, not economic, but strategic. As regards the navigation on the Scheldt, you write that "Trouble is inevitably bred by a situation in which the buoying and lighting of a channel in which Belgium has a vital interest is the business of Holland, who has no interest whatever in equipping the port of Antwerp to compete with Rotterdam."

In the years immediately after the war a great deal was heard about the intolerable hardships to which Antwerp was exposed by Holland's position on her waterway to the sea. It is now clear, however, that these complaints must be considered as part of the annexationist campaign to which Belgium in the flush of victory had committed herself. It is true that the demand for the cession of Zealand Flanders (the strip of Dutch territory south of the Scheldt) was never officially put forward, but a demand for "les attributs de la souveraineté" on the lower Scheldt was, and the allegations against Holland of neglect were intended, to support that policy. Later on more moderate counsels came to prevail in Belgium, and very little was said any more about Antwerp being suffocated by the Dutch mouths of the Scheldt. In the negotiations which were carried on between the two Governments, no doubt the Belgians sought to strengthen their share in the administration of the Boards of the river, and when complete agreement is at last reached, they will certainly be seen to have obtained some-thing in that respect. Meanwhile, however, the provisions of 1839, which were intended to safeguard the interests of Antwerp, were carried out by Holland in a spirit which has in no way hampered the growth of the Belgian port. The blame for this is in the fact that hardly any attention was given on the Belgian side of the problem during the long delays to which the negotiations have been subjected. These delays themselves are not due to Holland refusing improvements in the economic regime of the Scheldt. The question that was largely responsible for the rejection by the Dutch First Chamber of the Treaty submitted to it in 1927, and that is almost wholly responsible for the hitch occurring at this moment, is the question of the communications of Antwerp, not with the sea, but with the Rhine.

These communications, too, were safeguarded to Antwerp by the Treaty of 1839, and Holland is not, of course, denying, or, in fact, neglecting, her obligations in this respect. But Belgium is now asking for a large-scale new canal to be dug across Dutch territory, and it is this point which is again proving difficult. Dutch public opinion is not moved only by the rival interests of Rotterdam; there is a certain suspiciousness remaining from the unfortunate days of 1918 and 1919, when Belgium was seen trying to use a favourable international situation to encroach upon the integrity of the Dutch State. At any rate, it should be kept well in mind that the Scheldt-Rhine canal question is one in which Holland is asked to make concessions far beyond her treaty obligations. This is not to say that no agreement on a basis of reciprocity is possible. Holland, too, has her desiderata. But it can serve no useful purpose to write as if the peace of Western Europe depended on Holland's pliability.—Yours faithfully,

London. P. Geyl.
April 22nd.

[We were careful to refer to this matter as one which "complicates" the life of Western Europe—and not as one which threatens its peace. If at times in its long history it has occasionally reached the stage of being a "dangerous" issue, the purpose of our note was to call attention to the possibility of the present negotiations finally removing one of the possible sources of friction in Western Europe.—Ed., *Economist*.]

ROAD OR RAIL.

TO THE EDITOR OF THE ECONOMIST.

Sir,—In your last issue a correspondent says, "It is absurd that they (the railways) must be made solvent by bleeding the more mobile road."

Has he thought of the fact that if the railways were put out of business there would, owing to fog, frost, flood and snow, be no reliable means of transport for two months every year, to say nothing of the damage heavy lorries do to property, gas and water mains; on an average one of these mains gives out every week.

It is not a question of fair play, but the interests of the community which demands that some limitation should be placed on the activities of road users.—Yours truly,

167, Gloucester Terrace, Joseph Richardo.
Hyde Park, W.2.
April 24.

Books and Publications.

SURVIVAL AND EFFICIENCY IN INDUSTRY.*

The introductory course or textbook on economics frequently opens with an exposition of the advantages of the division of labour, which leaves the average beginner with the dangerous impression that he is now well-informed on the question of the most profitable scale for industrial enterprises of various broad types. Thus is swollen the wearisome army of armchair critics, who, without having seen so much as the outside of an ironworks, a foundry or a steel mill, are fully prepared to tell British iron and steel manufacturers exactly why they fail to meet foreign competition.

To these, and to more modest possessors of a little knowledge, the latest volume in the Cambridge Economic

* "The Structure of Competitive Industry." By E. A. G. Robinson. Nisbet and Cambridge University Press. 5s.

The recent formation of the Business Transfer Partnership & Property Agents Institute of Great Britain raises the status of the profession of Business Transfer Agents. A very comprehensive course dealing with B.T. can be secured for £1 1s. 0d., spread over 4 monthly payments of 5s. 3d. each. Course is sent on receipt of first payment.
EFFICIENCY PUBLISHING COMPANY. 71, Lowlands Road, Harrow

Handbooks series is especially to be commended. Mr Robinson, who devotes about three-quarters of his book to the question of the optimum unit in industry and the optimum size of an industry, envisages his problem as one of very delicately balanced forces, differing in every instance, and he contrives to infuse into his treatment of it much of the fascination which a skilful presentation of an analogous subject in biology would have for the interested layman. He has particularly interesting observations to make on the question of survival, and the chapters on "risks and fluctuations," "the reconciliation of optima," and "the problem of growth" are especially rewarding. A sparing but extremely apt use of illustration adds to their effectiveness.

Mr Robinson's masterly handling of a section of the subject matter of economics which is rarely made the subject of interesting treatment, except in books designed for specialists, must be his excuse for leaving so little space for the remainder of his field that rationalisation has to be relegated to one short chapter. As those parts of his subject which receive disproportionately small space are also those parts which are best dealt with elsewhere, this arrangement is, perhaps, not a ground for complaint. Not the least of the virtues of this little book is the success with which it maintains the tradition of the series to which it belongs, that the reader, though not yet possessed of economic knowledge, is an intelligent and educated person.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

(It would be a convenience to our readers if publishers would make a point of notifying us of the prices of books sent for inclusion in this column.)

The United States in World Affairs. 1931. By Walter Lippmann, in collaboration with William O. Scroggs. (London) Harper and Bros., 90, Great Russell Street. 15s. net.

The Agricultural Situation in 1930-31. (Rome) Treves, Treccani, Tumminelli, Via Michelangelo Caetani, 32.

A commentary on the International Yearbook of Agricultural Statistics.

Banking Credit and the Crisis. By J. W. Kempster. With a Foreword by Sir Josiah Stamp. (London) London General Press, 6, Bouverie Street. 12s. 6d. net.

Ungarns Aussenhandelspolitik nach dem Kriege. By Dr. E. Kilbenbeyer. (Berlin and Leipzig) Walter de Gruyter and Co.

A German essay on Hungarian post-war trade policy.

Statecraft. By William Sanderson. (London) Constable and Company, Limited, Orange Street. 8s. 6d. net.

A discussion of the objects of politics, the need of experience, and the problems at present awaiting solution.

The New Gold Standard. By O. I. Stafsing and D. Erik Sjöstrand. (Stockholm) C. E. Fritze. 1s.

An plan for an international gold standard currency to be administered by an international gold reserve bank.

The World Economic Crisis, 1929-31. By Paul Einzig. (London) Macmillan and Company, Limited, St. Martin's Street. 7s. 6d. net.

The London Money Market. By F. Bradshaw Makin. (London) Gee and Company (Publishers), Ltd., 8, Kirby Street. 2s. net.

A little book which should be a great aid to the intelligent perusal of financial newspapers.

The Anglo-American Year Book, 1932. Edited by D. L. Gill. (London) American Chamber of Commerce, Aldwych House, Aldwych. 10s. net.

A directory, Who's Who, and general *vade mecum* for Americans in Great Britain.

The Scottish Investment Trust Companies. By George Glasgow. (London) Eyre and Spottiswoode (Publishers), Limited, 6, Great New Street. 50s.

An analysis of the methods of these companies, with a tabulation of the results of seventy-one of them.

International Review of Agriculture. February, 1932. (Rome) Treves, Treccani, Tumminelli, 32, Via Michelangelo Caetani.

The Uneconomics of Advertising. By Lewis Carr. (London) Wishart and Company, 10, John Street. 1s.

L'Europe Centrale. By Elémer Hantos. (Paris) Librairie Félix Alcan, 108, Boulevard Saint-Germain. 15 francs.

A plan for the reconstruction of Central Europe.

The Russian Army in the World War. By Lieut.-General Nicholas N. Golovine. (London) Oxford University Press, Warwick Square. 20s. net.

Monetary Inflation in Chile. By Frank Whitson Fetter. (London) Oxford University Press, Warwick Square. 15s. 6d. net.

An interesting study of Chile's extensive experience with paper currency.

The Swedish-Australasian Trade Journal. Twentieth Anniversary Number, 1911-1931. (Sydney) Swedish Chamber of Commerce.

An interesting collection of illustrated articles on Sweden and Australasia.

The World Crisis and the Teaching of the Manchester School. By Moritz J. Bonn. (London) R. Cobden-Sanderson, Limited, 1, Montague Street. 1s. net.

The Economic Crisis as it Affects the Wool Textile Industry. By A. H. Gibson. (Bradford) Textile Society.

The Administration of Estates. By A. H. Cosway. (London) Sir Isaac Pitman and Sons, Limited, Parker Street, Kingsway. 5s. net.

A description of the new law of intestacy.

The Crisis of 1931. By D. T. Jack. (London) P. S. King and Son, Limited, Orchard House, Westminster. 5s.

The Crisis of the Pound. By J. Taylor Peddie. (London) Macmillan and Company, Limited, St. Martin's Street. 7s. 6d. net.

A plea for the revision of monetary policy.

The Smithsonian Institution. Annual Report for 1930. (Washington) Superintendent of Documents. $2.00.

Parliamentary Companion. February, 1932. (London) Vacher and Sons, Limited, Westminster House, Great Smith Street. 1s.

OFFICIAL PUBLICATIONS.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C.2.

Annual Report of the Prisons Department for Scotland for the Year 1931. Cmd. 4063. 1s. 6d. net.

Colonial Report, No. 1566: *Leeward Islands,* 1930-31. 1s. 6d. net.

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EFFICIENCY PUBLISHING CO.
Publishers and Booksellers,
Efficiency House, Lowlands Rd., Harrow, Middx.

The Stock Exchange.

COMPANY RECONSTRUCTION.

Surgical skill advances with grim rapidity in wartime. The present depression has afforded accountants over-abundant opportunities of perfecting the technique of company reconstruction. Major industries, like coal, steel, shipbuilding, engineering and textiles, having been left dry by an ebb-tide of profits after expanding their capital obligations during and after the war, have provided material for the financial hospital knife. Further, though no epoch has a monopoly in human misjudgment and folly, it has happened that, during the last few years, company failures from this cause have been unusually numerous and important. There is a helpful convention, common to all liberal professions, under which members enjoying special facilities for research place the fruits of their experience promptly before their fellow practioners and the public. As all readers are aware who have followed our records of company "accidents," no accountant has latterly performed more major operations with skill and succes (if success be judged by the patients' survival) than Sir William McLintock, whose part in the formulation of the Royal Mail Scheme of Arrangement is fresh in the public memory. Investors, therefore, may be well advised closely to study the conclusions in which Sir William has embodied his experience, in the reprint of a lecture recently given at Edinburgh.*

At the outset, Sir William draws a sharp distinction between "shareholders'" and "creditors'" reconstruction schemes, confusion between which has probably been responsible for more premature and abortive capital plans that all other causes together. His view is, clearly, that capital reductions affecting only shareholders, *inter se*, have tended, of late years, to be unduly numerous, ill-considered and unbalanced. In many instances, directors have formulated and rushed through such schemes immediately their companies have emerged from a period of trading losses, before there has been any opportunity to discover true future earning power. The motive in practically every case has not been financial conservatism, but the reverse. Unless the cleaning-up of the balance sheet is a preliminary to the raising of new capital, the operation has merely a bookkeeping character, which adds nothing to the resources of the company, and, in far too many cases, is intended merely to facilitate the resumption of dividends. Its whole *raison d'être* would frequently disappear if British law permitted the issue of "no par" shares, whose valuation would be automatically adjusted to changes in the assets.

There is force in Sir William's point that the dangers of under-estimation or over-estimation of future profits alike counsel caution in framing schemes for capital reduction. If the directors' "budgeting" is over-rosy, the whole process may be required to be gone through a second time, after a company, possibly, has weakened itself by paying out, in dividends, resources which should have been retained as floating capital, and by reducing its annual depreciation charge on its written-down assets. If earning power, on the other hand, is likely to increase, the wisest course may be to defer reconstruction in the hope that it may be avoided altogether. Leyland Motors, in this way, has cleared off a million of accumulated losses, paid all preference arrears, and rehabilitated its ordinary capital. Austin Motor, after writing 15s. off its ordinary capital in 1927, is now compelled to explain, for the benefit of organised labour and other interests whose susceptibilities might be embarrassing, that a 100 per cent. annual dividend is not the "profiteering" figure it appears. Conversely, a reduction of 33 per cent. in paid-up capital, in 1924, failed to save Agricultural and General Engineers from a winding-up order in 1932.

The truth is that few reconstructions involving shareholders alone are really urgent. If and when they are decided on, it is essential that preference shareholders obtain equitable treatment. The latter are concerned solely with the possibility that, after reconstruction, earnings will be sufficient to provide the fixed sum of money to which they are annually entitled. It is not their business to facilitate, by personal sacrifice, the early resumption of payments to ordinary shareholders. If the nominal value of their shares is written down, their interest rate should be raised proportionately, so that their *income* rights remain unaltered. If insistence in this regard would merely prolong a company's difficulties, the appropriate compensation for a reduction in income is a share in the equity, which, *pro tanto*, reduces that of the ordinary shareholders. They should not be asked to relinquish dividend arrears, unless they are compensated by an enhanced dividend or the issue of additional preference or ordinary shares. They should not consent to reconstruction by way of the registration of a new company unless their position in this respect is safeguarded, since in a winding-up all rights to dividend arrears are automatically extinguished.

The position of ordinary shareholders is simpler. They own the equity in surplus earnings, and it matters nothing whether their tokens of ownership are nominally valued at 1d. or £1. Their chief legitimate concern is that they be not extinguished altogether, even when the whole of the "ordinary capital" appears to have been lost. They are entitled at least to hold a deferred claim on the future, against the possibility of an eventual restoration of earning power. Equity rights can never perish entirely, so long as a company remains a going concern.

The most difficult reconstructions of the post-war era in British finance have not been "shareholders' schemes," which at bottom have been mainly matters of convenience, but "creditors' schemes," which have arisen out of circumstances threatening the very existence of large concerns in industries like steel, engineering, shipbuilding, textiles and shipping. Many British trades are threatened by the same catastrophe as the world in general—asphyxiation under the pressure of debts too grievous to be borne in an epoch of greatly reduced income. Sir William's examination of this aspect resolves itself into an indictment of heavy funded debt in general, and "bad" debentures in particular. The debenture, at first sight, holds out many attractions as an investment medium. It is a cheap form of long-term capital, the market yield on the best industrial debentures being, as a rule, only about ¾ per cent. higher than that on British Government stocks. Debentures can be floated in times, like the present, when the market will not look at equities. They are a favourite means of getting a company "out of the bank." They are well regarded by many ordinary shareholders, who argue that, while they involve no diminution of their own sovereignty (debenture holders having no votes) they increase the value of the equity. If a company can raise £1,000,000 in 5½ per cent. debentures, and earn 10 per cent. on the money, an additional £45,000 will be available each year for ordinary shareholders. Hence, industries with large amounts of fixed assets to pledge, like the "heavy" trades, railways, breweries, etc., have resorted largely to the debenture. Other trades, such as tobacco, merchanting and retail trading concerns, have a smaller proportion of debentures, mainly because investors have regarded a floating charge as affording much less "solid" security than a fixed charge.

Recent experience has shown, however, that, while rights of foreclosure may protect debenture holders against

* "Reconstruction Schemes." By Sir William [illegible], C.B.E., C.V.O., C.A. Being a lecture delivered to the Chartered Accountants Students Society of Edinburgh on [illegible], reprinted from "The Accountants Magazine" [illegible].

short-term fluctuations of income, they are illusory and dangerous when earning power has been more permanently affected. Prolonged payment of unearned interest may bleed a company of working capital. When default occurs, holders may find that assets which provided ample "cover" when a concern was doing well, may have little or no break-up value. Practically all the iron and steel reconstructions of the last ten years—including Pearson and Knowles, Partington Steel, Armstrong-Whitworth, Baldwins, Barrow Hæmatite and Cammell Laird—have involved heavy sacrifices by debenture holders of their "paper rights" in order to keep their concerns alive.

Investors who would see Sir William McLintock's ideas in concrete shaps will find them all expressed in the Royal Mail Scheme. They depend upon the fundamental principle that, when security has ceased to be enforceable, in any productive sense, everybody's best interests are served if it disappears altogether. Creditors, by becoming equity holders in law, as they already are in fact, may profitably relax their hold on assets, to allow a company to secure new working capital and may agree to accept interest out of earnings alone, whenever they have reason to think that a concern, in the future, may be worth more to them alive than dead.

This proposition appears, however, to be subject to a number of qualifications. The technical details of freeing assets from charge, once creditors have agreed, are essentially simple. It is necessary only to form an operating company to take over the assets in return for its own shares, to which the rights of creditors will then attach. Where more than one company is involved, two objects may be achieved simultaneously by making the new unencumbered operating company a merger concern, which can proceed with "rationalisation" measures on the administrative side. This principle has been applied successfully in the Royal Mail, Vickers-Armstrong, and Cammell-Laird schemes. But it involves a difficult question regarding the duration of the periods during which creditors, compelled by *force majeure* to step into the shoes of proprietors, should be asked to accept the inferior status of, virtually, pre-preference shareholders. In some of the earlier "creditors' reconstructions" of the last decade, debenture holders were induced to part with their foreclosure rights for ever. In later schemes, creditors have insisted on the insertion of provisions for amortisation within the earliest possible period, though the latter's duration has frequently been, perforce, indefinite, since those drawing up the schemes have insisted on making amortisation, like the payment of interest, dependent upon future earnings. The recent Cammell-Laird reconstruction, for example, provided for the repayment of principal of two mortgage debenture stocks by sinking funds whose amounts, with a specified annual maximum, were governed entirely by the dimensions of future profits.

It is not improbable that universal acceptance of the thesis that, in adversity, the distinction between the rights of a creditor and a proprietor is chiefly one of priority would have far-reaching reactions. Credit-givers might tend considerably to restrict their facilities, in normal times, if the impression became widespread that an unexpected turn of fortune might change them into quasi-permanent shareholders. Bankers, who are expert in the technique of "nursing" temporarily frozen loans, will, when their voice is paramount in reconstruction, usually agree only to the suspension of their rights for a limited period, such as the three years granted in the Royal Mail Scheme, rather than to their metamorphosis. Debenture holders, being more numerous, scattered and incoherent, will usually be guided by the advice of their trustees, whose point of view is not infrequently more closely identified with the "long-term" aspect than that of other outside creditors. There may be much to be said for the view that the utmost a creditor should be asked to do is to relinquish his claim to interest until a company has sufficiently recovered to make it more profitable for him to foreclose, and get out. A first debenture holder who, after waiting a few years, sees the prospect of recovering his principal by sale of the assets, even though the latter may leave little or nothing for second debenture holders, may ask what material inducement can be offered him for holding his hand.

The conclusion would seem to be that in company finance, as elswhere, prevention is better than attempted cure. Since economic forces are always changing, demand for human satisfactions finding new channels, and industries rising and falling, no concern can wisely pledge its assets for very long periods on the assumption that, because it is prosperous to-day, it will be prosperous in twenty, thirty or forty years' time. The unenviable position occupied by the iron and steel industry in the last ten years may be filled, later, by other trades at whose identity one cannot guess. Prudence may dictate, in future, the limitation of short-term indebtedness to a reasonable figure, and, possibly, the eventual disappearance of "funded indebtedness" as a medium of sound company finance. Informed opinion may insist that a provider of long-term capital, as distinct from short-term accommodation, should, from the outset, freely accept the implications of proprietorship, and not be induced to tolerate a speciously low yield on his investment by being offered the shadow of immunity from earnings fluctuations. In other words, the process of investment evolution may be inimical to the survival of the mortgage debenture, in its present form—though this may be looking far ahead.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

Ticket. May 24.	Account. May 26.

After Monday's May Day holiday, the markets made a mixed showing. Investment interest was again concentrated on Gilt-edged stocks, some British funds establishing new high records, while the drain of resources from equity shares continued. The movement, however, tended to lose impetus, and by mid-week was tentatively reversed. British Government stocks began slightly to lose ground, although the 3 per Cent. Treasury Bond issue was regarded as moderately successful. Industrial shares, simultaneously, showed a slight recovery, which was probably no more than an upward reaction after a fortnight of unusually rapid decline. Continental buying of more speculative issues, simultaneously, accentuated the outward and visible results of a change in sentiment which had every inward sign of evanescence.

Early business in Gilt-edged stocks was on a large scale, but the rapidity of the movement in quotations invited profit-taking. Funding Loan was in keen request, but reacted subsequently. India loans remained firm, and Australian stocks hardened slightly on the end of Mr Lang's physical resistance to Commonwealth "attachment" measures.

Recent home corporation issues maintained their premiums, but dealings in the Hull stock were done at a discount.

Greece's default (discussed on page 1086) had unfavourable reactions in the market for European bonds, particularly those issued under League of Nations auspices. Austrian Sixes, however, after a sharp decline, were assisted by sinking fund operations. Far Eastern stocks were weak. The San Paulo scheme (summarised on page 1086) had little effect, apart from the attraction of a modicum of speculative interest to 7½ per Cent. Coffee Bonds, which were not included within its scope.

Selling of home rails continued unabated until Thursday, when sentiment changed somewhat abruptly, despite the continued unfavourable nature of the traffic returns. The market, indeed, had shown signs of being oversold, and moderate closing sufficed to put prices better, particularly as regards the junior stocks. In the foreign rail market, the directors of the Buenos Aires Great Southern and the Buenos Aires Western sprung a pleasant surprise on their proprietors by the publication of annoncements showing the cash and earning's position in a much better light than the market had foreseen. The ordinary stocks of the Argentine "Big Four" quickly responded to the news.

Although the new Account, covering the Whitsun holiday, was of the unpopular three weeks' duration, the tone of industrial shares was perceptibly more cheerful, and the decline in values was checked. Electrical issues remained dull, and breweries uncertain, despite moderate selective support from the provinces. The Dunlop accounts, dealt with on page 1037, were well above expectation, the ordinary recovering on the payment of full preference dividends. The denunciation of the 1919 agreements in the cotton trade was not regarded as a bear point for textiles, reports of slightly increased manufacturing orders and turnover causing a modest recovery in prices. The market was also inclined to discount the possible success of efforts to induce the Government to change its mind as regards the silk duties. The "Rothermere" newspaper reports of the week were deemed satisfactory, despite the reductions in earnings and dividends. The decline in tobacco shares was arrested, though the market still had an appearance of instability. Iron and steel shares again failed to benefit from their prospective gains as tariff beneficiaries. Unilever were purchased from Amsterdam. Harrods remained on offer. Bank shares were dull, with the exception of Hong-Kong and Shanghai and New Zealand institutions, which reflected improved local conditions. Little investment interest was shown in insurance shares, numerous fractional falls being recorded.

Evidence of declining production, at long last, in the rubber industry encouraged a few inquiries for the better-class shares, though the volume of actual buying orders was disproportionate. The prospects of the enactment of proposals for a 5 cents per pound duty on rubber entering the United States were not regarded seriously. Tea shares were again subject to liquidation, the disappointing report of the Eastern Produce Company depressing the market. Oil shares were more active and cheerful than for some time past, partly on Continental support and partly on speculative exploitation of the possibilities of the New York Conference on "co-operation."

A large volume of business was done in the mining market, almost entirely owing to Continental support. The movement was ascribed, obscurely, to French desire to insure against the possible assumption of power by the parties of the Left. Rises were general among the international "Kaffir" favourites. De Beers moved in sympathy despite the announcement that the company would probably refuse to give evidence before the Diamond Commission. Rhodesian shares did not benefit from the steadiness of copper, and only trifling gains in tin share prices followed the sharp speculative rise in the commodity on the announcement of new and drastic output restriction proposals, which are discussed on page 1038.

"Financial News" Daily Bargain Index.

(Approximate number of Bargains recorded in Stock Exchange Lists.)

	Apr. 26 1932.	Apr. 29, 1932.	Apr. 30, 1932.	May 2, 1932.	May 3, 1932.	May 4, 1932.	May 5, 1932.
Breweries and Residual Lease Rights, Cinemas and Publishing and Printing	1,375	1,455	Stock Exchange closed.	Stock Exchange closed.	2,374	1,613	1,478
Stores and Miscellaneous	942	842			1,329	853	998
Iron and Steel*	1,488	1,502			2,142	1,413	1,410
Rubber Plantings	457	471			707	439	525
Tea and Produce	344	354			478	436	452
Banks, Discount Houses and Bills	183	134			193	183	134
Oils	70	69			137	114	68
Total	4,859	4,927			7,357	5,051	5,065

* Including iron and steel and breweries.

"Financial News" Daily Average of 30 Industrial Ordinary Stocks.

(1926 = 100.)

Highest of 1932 (Mar. 8)	Lowest of 1932 (May 3)	Apr. 26, 1932.	Apr. 29, 1932.	Apr. 30, 1932.	May 2, 1932.	May 3, 1932.	May 4, 1932.	May 5, 1932.
68·9	42·8	55·1	55·3	*	*	55·1	55·4	55·8

* Stock Exchange closed.

In response to the petition they have received, the Committee for General Purposes announce that the Stock Exchange will be closed on Saturdays, the 7th and 14th instant. Further closing of the Stock Exchange on Saturdays will be considered at a later date.

FOREIGN STOCK EXCHANGES.

NEW YORK.

The faint signs of an improved undertone in the markets did not survive a severe buffeting at the hands of Congress. The passing by the House of Representatives of the Goldsborough Bill, calling on the Federal Reserve System to restore prices to the 1926 level, was regarded as of purely theoretical interest, but much more anxiety was shown over the mutilation of the Budget programme, and the report that the Senate Finance Committee had fixed a flat 4 per cent. transfer tax on bond sales, together with the approval by Mr Owen Young of the principle of bond issues for $2,000 millions for new nation-wide relief works. Stock Exchange business was severely restricted, with prices, particularly of railroad issues, drifting downwards, though a sharp rally occurred on Wednesday after many issues had broken to new record low levels. Oil stocks were a prominent exception, their relative strength being due partly to reduced production figures, but mainly to propaganda associated with the opening of the Producers' Conference for a world-wide restriction scheme. Steel ingot production showed another slight increase from 23½ to 24 per cent. of capacity.

	Apr. 21, 1932.	Apr. 28, 1932.	May 5, 1932.
U.S. 3½% T. Bds....	101⅛	101⅛	100
Lb. Ln. 3½% '32-47	100⅜	100⅜	100⅜
Do. 4¼% '32-47	101⅜	101⅜	101⅛
Do. 4¼% '33-38	102⅜	102⅜	102⅛
Atchison	47½	42½	35½
Ches. & Ohio	17½	16	16
Erie	4½	4⅜	4
Illinois Central ...	11½	11½	10⅞
N.Y. Central	21½	18½	13⅜
Pennsylvania	13⅜	12	10½
Southern Pacific...	15⅜	13½	11½
Southern Rly.....	6½	5⅜	5
Union Pacific	56½	52½	49
Am. Can.	45⅜	40⅜	36⅜
Amer. Smelting ...	9½	9	8⅜
Anaconda	5⅜	5	4½
Bethlehem Steel...	13½	12⅜	12½
Chrysler Motor ...	9½	9½	8½
Corn Produce Rf....	31⅜	32½	33
Eastman Kodak....	56½	51½	45⅜
Gen. Electric (New)	14½	14½	13½
Gen. Motors.....	11½	11	10
Int. Harvester.....	19½	18	16½
Mont. Ward	7⅜	7½	6⅜

	Apr. 21, 1932.	Apr. 28, 1932.	May 5, 1932.
Natl. Biscuit	33½	33	32½
Phelps Dodge	5⅜	5⅜	4⅜
Pullman	17	15⅜	14
Sears-Roebuck.....	21	19⅜	15⅜
Studebaker	6	4⅜	4½
Un. Fruit	20½	19⅜	16
U.S. Leather.....	1½	1½	1½
U.S. Rubber.....	3½	3⅜	3
U.S. Steel	30½	28½	27⅜
Westinghouse	22⅜	22½	22⅜
Woolworth	38½	36½	32½
Am. Tel. & Tlg.....	101½	98½	96⅜
Interboro R.T.....	8	7⅜	7½
Int. Tel. Teleg.....	6½	5⅜	5½
Radio Corpn.	5⅜	4⅜	3⅜
Utilities P. & L. ...	3½	3	2⅜
W. Union Tlg.	28½	26½	21½
Associated Gas "A"	2½	2⅜	2½
Pan. Amer. B.	26	22	22½
Shell	12	9½	9½
Shell Union	2⅜	2½	2⅜
Std. California	18	18	18½
Do. N.J.	22½	22½	23⅜

By courtesy of the Standard Statistics Company, Inc., of New York, and 13, Copthall Avenue, London, we print the following index figures of American values calculated on closing prices (1926 = 100):—

	1930.		1931.		1932.		
	Lowest.	Highest.	Lowest	Highest.	Beginning of Year.	April 27.	May 4.
337 Industrials ...	98·2	174·1	51·4	114·7	52·2	41·8	38·6
33 Rails	89·1	145·6	31·7	105·7	32·2	22·6	19·4
34 Utilities.....	153·2	267·4	90·6	187·6	91·8	74·9	70·5
Total, 404 stocks...	105·5	184·2	54·7	124·6	55·5	44·2	40·9
Average yield of 50 Industrial Common Stocks	4·15%	5·96%	9·37%	5·11%	9·29%	9·46%	10·32%

Daily Average of 50 American Common Stocks (1926 = 100).

Highest of 1932 (Mar. 8).	Lowest of 1932 (May 3)	April 27, 1932.	April 28, 1932.	April 29, 1932.	May 1, 1932.	May 2, 1932.	May 3, 1932.	May 4, 1932.
68·9	42·8	47·4	45·8	44·1	44·2	43·4	42·8	43·5

Total Dealings in New York.

	April 29, 1932.	April 30, 1932. *	May 2, 1932.	May 3, 1932.	May 4, 1932.	May 5, 1932.
Stock Exchange— Shares (Thous.)	1,200	400	800	900	1,300	1,000
Bonds (Value Thous. $).....	8,297	4,861	9,662	10,973	14,360	10,373
Curb— Shares (Thous.)	140	80	120	120	190	150

* 2-hour session.

PARIS.

Weak conditions prevailed at the outset, but subsequently a certain liveliness developed, for reasons connected with the political outlook, to which, in election week, all other French interests are normally subordinate. Mid-week arbitrage operations assisted all securities with

(*Continued on page 1084.*)

LONDON ACTIVE SECURITY PRICES AND YIELDS.

NOTE.—*Shares with a New York quotation, or with definite American interest, are distinguished by italics.*

In calculating yields on the stocks and shares quoted below allowance is made for interest accrued since the last payment. Where stocks are definitely redeemable at a certain date the yield includes any profit or loss on redemption; where stocks are redeemable at or before a certain date the final date of repayment is taken when the stock stands at a discount and the earliest date when the quotation is above par. The return on ordinary stocks and shares is calculated on the dividends paid by the company during the last year.

Prices Year 1931. Highest.	Lowest.	Prices Year 1932 (Jan. 1 to May 4) inclusive. Highest.	Lowest.	Name of Security.	Price Apr. 27, 1932.	Price May 4, 1932.	Rise or Fall.	Present Yield. £ s. d.
				British Funds.				
60⅞	49¼	61 11/16	54¼	Consols 2½%	60¼	61⅞	+1⅝	4 1 0
97	77¾	96¾	81¾	Consols 4%	94⅝	96	+1⅜	4 4 3
85½	67¾	86½	73¾	Con. Loan 3½%	85	86	+1	4 1 10
104½	88¼	104½	93	Do. 4½% 1940–44	103	104	+1	4 4 1
108½	93¾	108 1/16	99	Do. 5% 1944–64	106½	107	+½	4 4 9
97¾	78	98¼	83¾	*Funding* 4% 1960–90	97	98	+1	4 1 0
102¾	93	101¼	97⅛	Treasury 4½% 1932–34	101½	101	−½	4 5 0
103½	93	102½	98½	Treasury 5% 1933–35	101⅝	102	+⅜	4 5 0
98⅝	85	98⅛	89¾	Victory Bonds 4%	98½	98⅝	+⅛	4 0 0
104⅛	90½	103 1/16	95¼	*War Loan* 5% 1929–47	101⅞x	101x	−⅞	4 18 0
70¼	57	71 1/16	60½	Local Loans 3%	70⅝	71¼	+⅝	4 4 6
46	29½	49¼	36	India 2½%	48	48	...	5 4 2
55½	34	59¾	42½	Do. 3%	57	57	...	5 5 3
64¾	41	69¾	49¾	Do. 3½%	66	66	...	5 6 0
86 1/16	55	92½	67¾	Do. 4½% 1958–68	89	87x	+½	5 9 0
106½	94	107¾	97¾	Palestine 5% 42–67	105	105	...	4 7 6
110	90	110½	103½	Sudan 5½% Bonds	108	108	...	5 1 10
99⅝	87½	98½	87¾	Ulster 4½% 45–75	98½	99x	+1⅝	4 13 3
				Dom. & Colonial Govts.				
85½	58	93	77	Australia 5% 1945–75	84½	84½	...	6 3 0
96¾	75	94½	82	Canada 4% 1940–60	93¾	93⅝	...	4 9 0
105⅝	97	106⅝	100½	Ceylon 6% 1936–51	106	106	...	5 3 0
101	87½	101	91¾	Gold Coast 4½% 1956	100	101	+1	4 11 0
105½	90	106½	94¾	Kenya 5% 1948–58	106	106	...	4 12 8
104½	92	105	93½	Nigeria 5% 1950–60	105	105	...	4 14 0
80	46½	79½	58	N.S. Wales 5% 35–55	65	65	...	8 7 0
102⅝	85	100½	84	N. Zealand 5% 1946	99	99	...	5 3 0
81	48	87½	70	Queensland 5% 40–60	75	75	...	7 2 0
105	82	101½	90½	S. Africa 5% 1945–75	100½	100½	...	5 0 0
100	85½	101	88¾	Strts. Sett. 4½% 35–45	100	101	+1	4 12 0
				Foreign Governments.				
88	53	77	59½	Argentine 4% Rescis.	63½	62½	−1	8 16 0
105½	87	100½	76	Austrian 6% 1923–43	90½	80	−10½	9 5 10
98¾	33½	49¾	36	Do. 7% Int.red.by 1957	43	40	−3	17 10 0
56	29½	41¾	28⅞	B. Aires (Prov.) 3½%	30½	29	−1½	12 1 3
112¼	89	108⅝	94	Belgian 7% red. by 1956	104	102x	+1½	6 16 6
83½	36	38	21½	Bulgaria 7½% Loan	22½	25½	+3	27 9 0
75½	43	69	51¾	Brazil 5% Fund, 1914	55½	52¼	−1½	9 10 6
79	28	46	29¾	Do. 6½% (1927)	34½	31	−3½	...
94	20	30	10	Chili 6% (1929)	15	13	−2	...
53⅝	33	43½	31	China 5% (1912)	34½	34½	−	14 14 3
70½	55	63	53	Do. 5% (1913)	57¼	57	−¼	9 4 9
113½	78	103⅜	77⅝	Czechoslovakia 8%	92½	93	+½	8 15 0
86¾	70	83½	70	Danish 3%	70	70	...	4 6 9
87¾	58	65	50	Danzig 6½%	50	50	...	13 0 0
85	66½	88	79½	Egypt Unified 4%	88	87x	+1	4 16 0
76	35	50	45	Estonia 7% 1927	45	45	...	15 11 3
92⅝	70	65	60	Finland 6% 1923	65	60x	−2	10 0 0
31¼	20½	28	24 1/16	French 4% (British)	25	24½	−½	4 4 0
30⅝	20½	29 11/16	26½	Do. 5%	27½	26½	−⅝	5 4 0
106	53	79	56½	German 7%	65½x	64½	−1	10 17 0
81½	37½	57½	45½	Do. 5½% Stg. Bds. 1930	47½	47½	...	11 16 0
93¾	59⅝	66	23	Greek 6% Stab. Ln.	30	25	−5	...
104½	73	81½	30	Do. 7% Refugee	40	30	−10	...
103 11/16	42	70	30	Hungary 7½%	34½	30½	−4	22 19 0
111	83	100½	70	Japanese 5½% 1935–65	79½	71½	−8	8 7 10
105⅝	77½	93¾	60½	Do. 6% (1924)	71¾	69¾	−2	9 1 0
14¼	5	10½	6½	Mexican 5% (1899)	7⅝	6⅝	−1	...
98	78	90	78½	Norwegian 4% 1911	80	84	+4	4 15 3
83	40	55	40	Peru 7½% 1922	40	40	...	18 15 0
86½	54	78	58	Poland 7%	60x	60	...	11 13 3
104½	92	103	90½	Siamese 6% 1934–64	99x	99	...	6 2 0
89	75	79	70	Swedish 3½% 1908	70	70	...	5 0 0
76½	39	67	49	S. Paulo Coffee 7½%	48	50	+2	...
10⅛	4	8	5	Turkish 4% Unified	6	5	−1	...
80	46	60	46½	Uruguay 5% 1919	60	60	...	10 0 0
				Corporation Stocks.				
84½	24½	46½	25	Berlin 6% 1932–57	30	25	−5	24 0 0
107¾	94	105½	98½	B'ngham 5% 1946–56	105	105	...	4 10 2
107¾	96	105½	99¾	Bristol 5% 1948–58	104	105	+1	4 11 0
95⅝	65	70	50	Danzig 7%	50	50	...	14 0 0
101	93½	96⅝	90	E. London 5% 1960–70	94½	94½	...	5 8 0
105	97⅝	101⅝	98	Johannsbg 5½% 1937–52	100½	100½	...	5 9 0
71	57	70	59½	L.C.C. 3%	70	71x	+1½	4 4 6
73	57½	73	60⅝	Met. Wat. Bd. B 3%	72	73	+1	4 3 0
107	94	106½	97	Pt. of Lndn. 5% 1950–70	105½	104½x	+1½	4 15 0
112⅝	87	107½	98½	Seine 7% 1936–52	107	106½	−½	5 1 0
77	53	72	68	Sydney 5½% 1954	70	70x	+2½	8 2 0
				British Railways.				
69½	38	48⅝	29	G. Western Ord. Stk.	34½	30	−4½	10 0 0
8½	2½	6⅝	3⅝	L. & N.E.R. Def. Stk.	4	3⅞	−⅛	Nil
19¾	6½	14½	7½	Do. 5% Pref. Ord.	8	7⅞	−⅛	Nil
84¾	55½	66	57	Do. 5% Pref. 1955	58½	58½	...	9 8 0
44⅝	16½	25½	14	Do. 4% 2nd Pref. Stk.	16½	14½	−2	6 18 0
34	13	20½	13⅝	L.M.S. Ord. Stk.	14½	13½	−1	1 18 0
65⅝	25½	38½	20	4% Pref. Stk. 1923	27½	22	−5½	18 3 9
68½	34	40½	31½	Metropolitan Cons.	36½	40½	+4	6 3 5
77¾	57½	60	51	Met. Dist. Ord. Stk.	61½	61½	...	8 14 9
23½	9½	11½	6	Southern Def. Stk.	6½	6	−½	Nil
66¾	36	40½	22	Do. 5% Pref. Ord. Stk.	22½	22½	...	17 15 4
92½	55½	67½	48½	Do. 5% Pref. Stk.	53½	48½	−5	10 6 0
24/10½	17/3	20/–	17/3	*Underground Ord. £1*	18/–	17/6	−6d	8 0 0
				Dom. & Foreign Rys.				
51½	15½	16½	7	Antofagasta Ord. Stk.	9	9	...	44 9 0
53	21	26	12	B.A. & Pacific Ord. Stk.	16½	12½	−4	Nil
71½	37	41¾	21½	B.A. Gt. Sthn. Ord. Stk.	25	24¾	−¼	4 1 8
56	21½	31½	15	B.A. Western Ord. Stk.	18½	17	−1½	Nil
65	29	42½	20½	C. Argentine Ord. Stk.	24	23	−1	4 7 0
72	14	17¼	9	C. Uruguay Monte V.	9½	9½	...	Nil
46⅝	15⅝	29½	14¼	*Can. Pacific Com. ($25)*	17	15	−2	6 16 3
71⅝	63½	71¾	64¾	Can. Nat. 1927 Guar. 4%	71½	70½	−1	5 16 0
16	4	5½	2	Cordoba Ord. Stk.	3	3	−	Nil
29½	11	11½	7	Do. 7% 1st Pref. Stk.	7	7	...	Nil
12⅝	6	8½	3	Do. 5% 2nd Pref. Stk.	4	4	−	Nil
29	23	22	17½	Costa Rica Ord. Stk.	17½	17½	...	11 8 6
70⅝	38	40	11½	Entre Rios Ord. Stk.	14½	13	−1½	11 11 0
90	56½	62	40	6% Cum. Pref. Stk.	42½	42½	−	14 3 0
65½	42½	40½	20	Do. 4% 2nd Pref. Stk.	22½	22½	...	17 16 0
[illegible]	[illegible]	[illegible]	⅛	G.W. of Brazil £10	[illegible]	[illegible]	−	Nil
$12½	$3½	$6	$4	In. Ry. C. Am. No par	$5	$5	...	...
36½	11	10⅝	11½	Leopoldina Ord. Stk.	12	12½	−	Nil
56	19	30	20	Do. 5½% Cum. Pr. Stk.	24½	24½	−	Nil
56/–	15/–	28/–	18/–	Nitrate Rlys. (£10)	15/–	15/–	...	Nil

Prices Year 1931. Highest.	Lowest.	Prices Year 1932 (Jan. 1 to May 4) inclusive. Highest.	Lowest.	Name of Security.	Price Apr. 27, 1932.	Price May 4, 1932.	Rise or Fall.	Present Yield. £ s. d.
				Foreign Rys.—contd.				
21	8	8	6	Paraguay Cen. D. Db.	7	7	−	[illegible]
70/–	70/–	70/–	70/–	Salvador Ord. ($10)	70/–	70/–	−	[illegible]
150	94⅝	108	93	San Paulo Ord. Stk.	104½	95½x	[illegible]	[illegible]
65/–	20/–	25/–	12/6	Taltal Rly. Ord. £5	17/6x	17/6	−	[illegible]
9½	2⅝	4½	1⅝	Utd. Havana Ord. St.	2½	2½	−	[illegible]
				Banks.				
16/9	5/9	6/6	4/–	Anglo-French (£1)	4/3	4/3	−	[illegible]
11/6	8/9	9/3	8/9	Anglo Internatl. (£1)	9/–	9/–	−	[illegible]
6 1/16	1⅝	37/6	10/–	Anglo S. American { A £10 £5 pd	[illegible]	[illegible]	[illegible]	[illegible]
25/6	12/6	15/–	6/3	{ B £1 fy pd.	8/–	7/–	−1/–	[illegible]
56/9	31/3	50/–	35/–	Bank of N. Zealand £1	37/6	40/–	+2/6	[illegible]
278½	230	276½	235	Bank of Eng. Stk.	272	272	−	[illegible]
58/3	43/9	58/–	47/6	Barclay B. (£1)	57/6	57/–	−	[illegible]
26/4½	19/9	25/–	21/6	Barcl. (Dom. &c.) A £1	24/6	24/–	−6d	[illegible]
9⅝	6 1/16	8⅝	7⅝	Bk. of Australasia (£5)	8	7⅞	−	[illegible]
63	47	53	44	Bk. of Montreal ($100)	$44½	$44½	−	[illegible]
26	18⅝	23⅝	20⅝	Bk. of N.S.W. (£20)	21½	21½	−	[illegible]
5½	3⅝	4⅝	3⅝	British Overseas A £5	4⅝	[illegible]	−	[illegible]
17⅞	9½	14	9⅝	Chtd. of India (£5)	11	10½	−	[illegible]
14/9	9/7½	14/–	11/3	Comcl. Bk. of Aus. 10/–	12/6	12/6	−	[illegible]
66/6½	43/3	55/–	45/–	District A £5, £1 pd.	53/9	50/–	−3/9	[illegible]
42/6	38/–	42/3	36/6½	Do. B £1 fully paid	40/–	40/–	−	[illegible]
4⅝	2⅝	87/6	70/7½	Eng.Scot.&Aust.£5,£3pd	3⅝x	3⅝	−	[illegible]
8 1/16	6	5½	4¾	Hambros £10, £2½ paid	5½	5¼	−¼	[illegible]
113½	93	105	92	Hong. and S. ($125)	$99	$96	−3	[illegible]
63/9	38/–	52/–	41/9	Lloyds £5, with £1 pd.	48/6	47/6	−1/–	[illegible]
7 1/16	4⅝	6	4⅝	Martins £20, £2½ pd.	5⅝	5½	−	[illegible]
80/6	60/6	70/6	62/7½	Midland £1, fully pd.	70/–	68/9	−1/3	[illegible]
31½	19	29½	21⅝	Nat. of Egypt £10	25	24½	−½	[illegible]
43½	27½	38⅝	28	Nat. of India £25, £12½pd	£34	£33½	−½	[illegible]
14½	9	12⅝	9 11/16	Nat. Prov. £20, £4 pd.	12	12	−	[illegible]
357	295	354	310	Royal Bk. of Scotland	£348	£348	−	[illegible]
14⅝	9½	10⅝	8⅝	St. of S. Af. £20, £5 pd.	10	9⅝	−⅜	[illegible]
80/10½	47/6	70/9	56/7½	Westminster £4, £1 pd.	70/–	69/6	−6d	[illegible]
				Insurance.				
21	16	20 11/16	16½	Alliance £1, fully pd.	20½	20⅝	+⅛	[illegible]
13½	9	11⅝	9⅝	Atlas £5, £1¼ pd.	10⅝x	10½	−	[illegible]
24½	16½	20⅝	17	Com. Un. £2½, fully pd.	20	19⅝	−	[illegible]
15½	11	14 1/16	11	Gen. Accident £5, £1¼ pd	13½	14x	+½	[illegible]
28½	19½	26½	20	Lon. & Lanc. £5, £2 pd	25½	25	−	[illegible]
34 11/16	25½	33½	26	N.Brit.& Mer £5, £1¼ pd	30½	30	−	[illegible]
16 1/16	12½	15 11/16	12½	Northern £10, £1 pd.	15½	14⅝	−	[illegible]
13½	9½	12⅝	9⅝	Pearl (£1), fully paid	12	11½	−	[illegible]
14½	9⅝	13 11/16	10	Phoenix £1, fully pd.	13½	13½	−	[illegible]
24½	17½	22½	18	Prudential £1 A	21½	21½	−	[illegible]
40/–	28/9	40/–	30/–	Do. £1, with 4s. paid	38/9	38/9	−	[illegible]
6 1/16	4⅝	6	4⅝	Royal Exchange (£1)	5½	5½x	−	[illegible]
8 1/16	6⅛	7½	6 1/16	Royal £1, 10s. paid	7¼	7	−¼	[illegible]
3 11/16	3 1/16	3 11/16	3	Sea Insur., £1 fully pd.	3½	3½	−	[illegible]
3 11/16	2 11/16	3⅝	2 11/16	Sun Insur., £1with5/-pd	3 1/16	3 1/16	−	[illegible]
5⅝	4⅝	5⅝	4 1/16	Sun Life Assur.,£1 fy pd	5⅝	5⅝	−	[illegible]
14½	11⅝	13⅝	11⅝	Yorkshire £1, fully pd.	13	13	−	[illegible]
				Investment Trusts.				
293	229	240	215	Anglo-American Deb.	235	235	−	[illegible]
149	85	95	85	Anglo-Celtic Ord.	93½	90½	−3	[illegible]
21/6	10/–	14/–	7/3	*Atlas Electric, &c., £1*	8/9	8/9	−	[illegible]
28/9	17/9	22/3	17/0	Brit. Assets Trust 5/–	18/9	17/6	−1/3	[illegible]
185	156	157½	147½	Debenture Corp. Stk.	157½	155½	−2	[illegible]
171	125½	125	100	For. Amer., &c., Def.	105x	105	−	[illegible]
110½	70½	70½	70½	Grange Trust	70½	70½	−	[illegible]
186	155	168½	154½	Guardian Investment	154½	164½	−	[illegible]
327	230½	247	196	Indus. & Gen. Ord.	220	215	−5	[illegible]
427	335	341	286	Invest. Trust Ord.	300	290	−10	[illegible]
22/–	15/–	17/10½	12/6	Lake View Invest. 10/–	15/7½	15/7½	−	[illegible]
318	236	246½	200	Mercantile Investment	220	205	−15	[illegible]
235	210	201	177	Merchants Trust Ord.	193	188	−5	[illegible]
380	313	316	286	Metropolitan Trust	312	307	−5	[illegible]
92	50	50½	44½	Nineteen Twenty-eight	44½	44½	−	[illegible]
88	47½	42⅝	42½	Nineteen Twenty-nine	42⅝	42⅝	−	[illegible]
18/3	10/–	10/9	9/6	Scottish Investment(5/-)	10/–	10/–	−	[illegible]
225½	185½	179½	175½	Scottish Mortgage, &c.	175½	175½	−	[illegible]
104⅝	50	55	55	Stockholders Invest.	55	55	−	[illegible]
87⅝	67	67½	67½	Trans-Oceanic £1	67½	67½	−	[illegible]
234	185	160	152	Trustees Corp. Ord.	155	155	−	[illegible]
243	185	188½	180	United States Deb.	183	180	−3	[illegible]
				Financial Trusts, &c.				
29/–	15/–	18/9	11/6	Argentine Land, &c., £1	12/6	12/6x	[illegible]	[illegible]
39½	10	25	16	Australian Estates, &c.	20	20	−	[illegible]
4/6	3/–	3/6	2/3	Brit. Nth. Borneo £1	3/6	3/6	−	[illegible]
28/6	14/–	24/6	16/–	Brit. S. Africa 15/- fy pd	16/9	16/9	−	[illegible]
18/10½	5/–	16/–	10/7½	Charterhouse Inv. £1	15/–	15/–	−	[illegible]
17/3	12/9	14/7½	13/1½	C. of London R. Pty. £1	13/9	13/9	−	[illegible]
6⅝	4	7⅝	5½	Dalgety £20, £5 pd.	6⅝	6	−⅝	[illegible]
13/10½	7/6	9/4½	4/9	Forestal Land £1	6/3	6/3	−	[illegible]
37/6	16/–	21/3	14/6	Hudson's Bay Co. £1	17/6	15/–	−2/6	[illegible]
4	2½	3	2 1/16	Do. 5% Cum. Pref. £5	3	2⅝	−⅜	[illegible]
20/–	7/6	11/1½	6/3	Java Invest., &c., £1	6/3	7/–	+9d	[illegible]
4⅝	1⅝	3⅝	1 11/16	Peruvian Corp. { Ord. Stk.	2	2	−	[illegible]
23	8	13⅝	6	{ Pref. Stk.	7	7	−	[illegible]
24/3	12/9	17/–	11/4½	*Primitiae Holdgs. £1*	12/6	12/6	−	[illegible]
13/9	9/9	11/4½	10/–	Staveley Trust £1	11/3	11/3	−	[illegible]
38/1½	14/6	29/4½	20/9	Sudan Plantations £1	23/9	22/–	−1/9	[illegible]
				Breweries, &c.				
23/9	17/9	23/4½	18/9	Allsopps Ord. £1	20/–	19/–	−1/–	[illegible]
27/9	18/–	24/3	17/10½	Barclay Perkins £1	21/–	20/–	−1/–	[illegible]
62/–	46/–	57/–	44/9	Bass Ratcliff Ord. £1	50/–	47/6	−2/6	[illegible]
37/6	25/–	32/–	24/3	Benskins Watford £1	27/–	26/6	−6d	[illegible]
12/–	5/3	8/3	5/1½	City of Lond. Def. 5/–	6/–	6/–	−	[illegible]
61/3	39/6	47/–	36/6	Courage Ord. £1	40/–	37/–	−3/–	[illegible]
61/–	42/3	50/6	42/–	*Distillers Co. Ord. £1*	42/9	42/6	−	[illegible]
109/9	79/6	86/6	68/–	Guinness (A)	73/9	68/9	−5/–	[illegible]
62/3	44/–	53/6	42/6	Ind Coope Ord. £1	43/9	42/6	−1/3	[illegible]
38/–	25/6	30/3	23/–	Meux's Ord. £1	25/6	24/–	−1/6	[illegible]
53/–	30/–	46/7½	35/–	Mitchell & Butlers £1	40/–	38/9	−1/3	[illegible]
28/3	23/–	25/–	22/0	Ohlsson's Cape £1	23/–	22/–	−1/–	[illegible]
62/–	49/3	50/6	42/6	S. African Bws. £1	45/–	43/–	−2/–	[illegible]
36/6	25/6	30/6	23/7½	Taylor Walker Ord. £1	25/–	24/–	−1/–	[illegible]
55/–	33/–	46/–	32/–	W'tny Combe Def. £1	38/–	36/–	−2/–	[illegible]
				Coal, Iron and Steel.				
6/4½	3/–	4/0½	2/0½	Amal. Anthracite £1	2/6	2/3	−3d	[illegible]
14/7½	7/–	11/9	8/1½	Do. 7% Cum. Pref. £1	8/9	8/1½	−7½d	[illegible]
10½d	2d	7½d	3d	Armstrong Whit. A 1/–	6d	6d	−	[illegible]
58/3	37/10½	47/6	41/3	*Babcock, Wilcox £1*	41/9	41/3	−6d	[illegible]

† Free of Income Tax.

Prices Year 1931 High-est.	Prices Year 1931 Low-est.	Prices Year 1932 (Jan. 1 to May 4) inclusive High-est.	Prices Year 1932 Low-est.	Name of Security.	Price Apr. 27, 1932.	Price May 4, 1932.	Rise or Fall.	Present Yield. £ s. d.
				Coal, &c.—cont.				
[illegible]	[illegible]	3/0½	2/0	Baldwins 4/-	2/6	2/6	...	Nil
[illegible]	[illegible]	3/6	2/9	Bengal Iron £1	3/1½	3/1½	...	Nil
[illegible]	[illegible]	12/6	10/-	Beyer Peacock £1	12/6	12/6	...	Nil
[illegible]	[illegible]	20/1½	17/6	Bolsover Col'ry Ord. £1	18/-	17/6	-6d	8 0 0
[illegible]	[illegible]	2/1½	1/3	Brown (John) Ord. 6/-	1/3	1/3	...	Nil
[illegible]	[illegible]	1/10½	6d.	Cammell Laird £1	9d	9d	...	Nil
[illegible]	[illegible]	7/1½	4/9	Consett Iron £1	6/-	5/6	-6d	Nil
[illegible]	[illegible]	57/6	50/7½	Cory, William, £1	56/-	54/3	-9d	6 7 6
[illegible]	[illegible]	4/6	2/9	Dorman, Long £1	3/6	3/-	-6d	Nil
[illegible]	[illegible]	5/6½	3/6	Do. 8% Non.Cm.Pf.O.£1	4/-	3/6	-6d	Nil
[illegible]	[illegible]	1/6	10½d	Ebbw Vale Ord. £1	1/-	1/-	...	Nil
[illegible]	[illegible]	1/-	4½d	Do. 7% Cum. Pref. £1	9d	9d	...	Nil
[illegible]	[illegible]	17/3	10/10½	Guest Keen, &c. £1	13/6	12/-	-1/6	Nil
[illegible]	[illegible]	8/10½	4/6	Hadfields £1	5/-	4/6	-6d	Nil
[illegible]	[illegible]	3/-	1/6	Har. & Wlf. 6% Cm. Pf.	2/3	1/9	-6d	Nil
[illegible]	[illegible]	18/9	13/3	Horden Collieries £1	15/-	15/-	...	6 13 3
[illegible]	[illegible]	26/10½	18/1½	Lambert Bros., £1	20/-	18/1½	-1/10½	11 0 0
[illegible]	[illegible]	5/-	3/6	Millom & Askam £1	3/9	3/9	...	Nil
[illegible]	[illegible]	9/6	5/9	Ocean Coal & Wilsons	7/1½	6/3	-10½d	6 8 0
[illegible]	[illegible]	2/-	1/4½	Pease and Partners £1	1/9	1/9	...	Nil
[illegible]	[illegible]	7/-	4/2½	Powell Duffryn £1	5/-	4/9	-3d	Nil
[illegible]	[illegible]	24/6	19/-	S. Durham Steel £1	23/9	21/3	-2/6	3 15 3
[illegible]	[illegible]	7/1½	5/9	Do. B Ord. £1	7/1½	6/3	-10½d	Nil
[illegible]	[illegible]	27/6	25/3	Staveley Coal, &c. £1	26/3	25/7½	-7½d	4 13 0†
[illegible]	[illegible]	17/6½	12/6	Stewarts & Lloyds £1	15/-	13/3	-1/9	Nil
[illegible]	[illegible]	15/-	12/6	Swan, Hunter £1	13/3	13/-	-3d	7 6 9
[illegible]	[illegible]	1/11½	1/3	Thomas (Richard) £1	1/9	1/6	-6½d	Nil
[illegible]	[illegible]	7/9	6/6	6½% Cm.Tax free Pf. £1	7/-	6/6	-6d	Nil
[illegible]	[illegible]	14/6½	10/3	Thornycroft, John, £1	12/6	11/3	-1/3	Nil
[illegible]	[illegible]	$75½	$37½	*U. States Steel* $100	$39½	$37½	+$2	11 2 0
[illegible]	[illegible]	9/2½	6/7½	*Vickers* 6/8	7/-x	6/9	-3d	5 0 0
[illegible]	[illegible]	19/9	17/-	WeardaleSteel&c.Df.£1	18/1½	18/1½	...	6 13 0
				Textiles.				
[illegible]	[illegible]	4/-	2/9	B. Ctn. & Wool Ds. 5s.	3/9	3/9	...	Nil
[illegible]	[illegible]	15/6	10/-	Bleachers £1	10/-	10/-	...	Nil
[illegible]	[illegible]	23/6	15/-	*Bradford Dyers* (£1)	17/-	15/-	-2/-	Nil
[illegible]	[illegible]	11/3	5/10½	*Brit. Celanese Ord.* (10/-)	6/6	6/1½	-4½d	Nil
[illegible]	[illegible]	9/3	6/6	Do. 7% 1st Cm. Pf. £1	7/-	7/-	...	Nil
[illegible]	[illegible]	7/10½	6/-	Do. 7½% 2nd Cm. Pf. £1	6/3	6/-	-3d	Nil
[illegible]	[illegible]	10/10½	6/9	Calico Printers £1	7/6	7/6	...	Nil
[illegible]	[illegible]	46/6	35/7½	*Coats, J. and P.* (£1)	39/3	37/6	-1/9	5 6 8
[illegible]	[illegible]	37/9	27/9	*Courtaulds* £1	31/3	29/3	-2/-	3 7 0†
[illegible]	[illegible]	30/6	23/6	English Sewg. Ctn. £1	25/-	23/9	-1/3	8 8 6
[illegible]	[illegible]	15/-	11/10½	English Velvet, &c., £1	13/1½	13/1½	...	5 11 0
[illegible]	[illegible]	18/6	11/6	Fine Cotton Spinners £1	13/-	12/6	-6d	Nil
[illegible]	[illegible]	26/0	21/3	Linen Thread (£1)	21/3	21/3	...	5 15 0†
[illegible]	[illegible]	18/3	12/6	Listers (£1)	14/3	13/9	-6d	Nil
[illegible]	[illegible]	30/6	26/-	Patons & Baldwins £1	26/3	26/3	...	1 16 0
...	...	48/1½	35/-	Snia Viscosa Lire 200	1 3/16	1 3/16	...	(Div. 6%)
[illegible]	[illegible]	52/-	47/6	Whitworth&Mitchell £1	47/6	47/6	...	9 8 0
				Electrical Manufacturing.				
[illegible]	[illegible]	23/9	17/-	*Associated Elec.* (£1)	18/-	17/6x	+3½d	4 11 6
[illegible]	[illegible]	60/9	50/3	British Insulated (£1)	57/6	55/-	-2/6	5 9 3
[illegible]	[illegible]	59/6	47/6	Callenders (£1)	55/-	50/-	-5/-	6 0 0
[illegible]	[illegible]	19/-	17/6	Crompton Parkinson 5/-	18/9	18/9	...	8 0 0
[illegible]	[illegible]	10/3	8/-	English Electric £1	8/9	8/9	...	Nil
[illegible]	[illegible]	44/3	35/-	*General Electric* (£1)	36/3	35/-	-1/3	5 15 0
[illegible]	[illegible]	6½	4⅞	Henleys (W. T.) (£1)	5½	4¾	-¾	5 15 0
[illegible]	[illegible]	23/9	18/-	*Johnson & Phillips* £1	20/-	20/-	...	5 0 0
[illegible]	[illegible]	24/-	19/3	Siemens £1	20/7½	20/-	-7½d	7 10 0
				Electric Light, &c.				
[illegible]	[illegible]	$12	$10½	Brazil Trac., no par	$12	$11½	-½	...
[illegible]	[illegible]	61/3	56/3	Bournemouth & Poole	60/-x	60/-	...	5 0 0
[illegible]	[illegible]	42/-	38/9	Calcutta Electric £1	40/-	40/-	...	7 0 0
[illegible]	[illegible]	31/3	27/3	Charing Cross Elec. £1	29/-	29/-	...	5 11 0
[illegible]	[illegible]	39/-	35/6	City of London £1	37/6	37/6	...	5 6 9
[illegible]	[illegible]	32/-	27/6	Clyde Valley Elec. £1	28/1½	28/1½	...	4 18 3
[illegible]	[illegible]	46/6	41/3	County of London £1	43/9	41/3	-2/6	5 0 6
[illegible]	[illegible]	[illegible]	87	*Hydro-Elec. Com. Stk.*	87⅞	87½	-⅜	...
[illegible]	[illegible]	27/-	23/4½	Lancashire Electric £1	27/-x	26/3	-9d	5 6 8
[illegible]	[illegible]	41/9	36/-	Metro. Electric £1	41/3	41/3	...	4 17 0
[illegible]	[illegible]	30/9	25/3	Midland Counties £1	28/9	28/1½	-7½d	4 19 0
[illegible]	[illegible]	26/9	22/1½	*Newcastle-on-Tyne* £1	23/9	23/1½	-7½d	5 2 0
[illegible]	[illegible]	48/4½	41/3	North Metropolitan £1	45/-	45/-	...	4 9 0
[illegible]	[illegible]	29/7½	26/-	Scottish Power £1	28/1½	28/1½	...	5 13 0
[illegible]	[illegible]	34/7½	29/7½	Yorkshire Electric £1	33/9	33/9	...	4 14 9
				Gas.				
[illegible]	[illegible]	23/7½	19/-	*Gas Light & Coke* £1	20/6	20/6	...	5 11 0
[illegible]	[illegible]	180	166	Imp. Continental Stk.	170	170	...	6 0 0
[illegible]	[illegible]	19/4½	18/-	Newc.-on-Tyne £1	18/-	18/3	+3d	5 18 6
[illegible]	[illegible]	104½	98	S. Metropolitan Stk.	103½	103½	...	5 15 0
				Telegraphs, &c.				
[illegible]	[illegible]	[illegible]	11½	*Cables and Wireless* A Ord. Stk.	13½	12½	-1	Nil
[illegible]	[illegible]	[illegible]	7½	*Cables and Wireless* B Ord. Stk.	9	8	-1	Nil
[illegible]	[illegible]	[illegible]	37	*Cables and Wireless* 5½% Cm.Pref.	42½	39½	-3	Nil
[illegible]	[illegible]	[illegible]	[illegible]	Great Northern $10	22½	22½	...	8 16 9
[illegible]	[illegible]	[illegible]	[illegible]	*International Telephone*	8⅛	8	-⅛	...
[illegible]	[illegible]	[illegible]	21/3	*Marconi Marine* £1	24/3	22/6	-1/9	8 17 9
				Motors and Cycles.				
[illegible]	[illegible]	[illegible]	[illegible]	Austin 5/-	26/3	25/7½	-7½d	19 10 0
[illegible]	[illegible]	[illegible]	[illegible]	Birm. Smal. Arms £1	3/9	3/9	...	Nil
[illegible]	[illegible]	[illegible]	[illegible]	*Dennis* 1/-	13/9	13/1½	-7½d	13 6 6
[illegible]	[illegible]	[illegible]	[illegible]	*Ford Motors* £1	21/3	21/3	...	Nil
[illegible]	[illegible]	[illegible]	[illegible]	Guy Motors (10/-)	2/-	2/-	...	Nil
[illegible]	[illegible]	[illegible]	[illegible]	Lucas (J.) £1	57/6x	55/-	-2/6	7 6 9
[illegible]	[illegible]	[illegible]	[illegible]	*Leyland* £1	32/6	32/6	...	6 3 3
[illegible]	[illegible]	[illegible]	[illegible]	Morris 7½% Cum.Pref.£1	23/3	23/-	-3d	6 10 0
[illegible]	[illegible]	[illegible]	[illegible]	Rover [illegible]	3/9	3/3	-6d	Nil
[illegible]	[illegible]	[illegible]	[illegible]	Rolls-Royce £1	33/9x	32/6	-1/3	6 3 0
[illegible]	[illegible]	[illegible]	[illegible]	Singer £1	7/6	7/6	...	Nil
				Shipping.				
[illegible]	[illegible]	[illegible]	[illegible]	Cunard £1	5/-	5/-	...	Nil
[illegible]	[illegible]	[illegible]	[illegible]	*Furness Withy* £1	15/-	15/-	...	10 0 0
[illegible]	[illegible]	[illegible]	[illegible]	P. & O. Defd. £1	14/6	14/6	...	8 6 0†
[illegible]	[illegible]	[illegible]	[illegible]	Royal Mail Ord. Stk.	4½	4½	...	Nil
[illegible]	[illegible]	[illegible]	[illegible]	Do. 5½% Prf. Stk.	3½	3½	...	Nil
[illegible]	[illegible]	[illegible]	1/9	White Star 6½% Pref.	2/6	2/-	-6d	Nil
				Tea and Rubber.				
[illegible]	[illegible]	[illegible]	[illegible]	Allied Sumatra £1	3/9	3/9	...	Nil
[illegible]	[illegible]	[illegible]	[illegible]	Anglo-Dutch £1	6/9	6/6	-3d	Nil
[illegible]	[illegible]	[illegible]	[illegible]	Assam Co. £1	13/9	13/1½	-7½d	Nil
[illegible]	[illegible]	[illegible]	[illegible]	Bah Lias £1	3/9	3/9	...	Nil
[illegible]	[illegible]	[illegible]	[illegible]	Cons. Tea & Lands £10	7	7	...	3 11 3
[illegible]	[illegible]	[illegible]	[illegible]	Grand Cl. (Ceylon) £1	5/-	4/3	-9d	Nil
[illegible]	[illegible]	[illegible]	[illegible]	Jhanzie Tea £1	25/-	23/9	-1/3	8 8 6
[illegible]	[illegible]	[illegible]	[illegible]	Jorehaut Tea £1	33/9	32/6	-1/3	6 3 0
[illegible]	[illegible]	[illegible]	[illegible]	Jokai (Assam) £1	28/9	28/9	...	2 15 9
[illegible]	[illegible]	[illegible]	[illegible]	Linggi Plantations £1	4/3	4/3	...	Nil
[illegible]	[illegible]	[illegible]	[illegible]	London Asiatic 2/-	1/1½	1/1½	...	Nil
[illegible]	[illegible]	[illegible]	[illegible]	Malacca Rubber £1	6/3	6/3	...	Nil
[illegible]	[illegible]	[illegible]	[illegible]	Rubber Trust £1	8/9	9/-	+3d	Nil
[illegible]	[illegible]	[illegible]	[illegible]	United Serdang 2/-	1/-	1/-	...	Nil

Prices Year 1931 High-est.	Prices Year 1931 Low-est.	Prices Year 1932 (Jan. 1 to May 4) inclusive High-est.	Prices Year 1932 Low-est.	Name of Security.	Price Apr. 27, 1932.	Price May 4, 1932.	Rise or Fall.	Present Yield. £ s. d.
				Oil.				
11/7½	5/1½	7/1	5/3	Anglo-Ecuadorian £1	5/9	5/9	...	Nil
48/-	20/-	28/9	20/-	Anglo-Egyptian B £1	23/9	25/-	+1/3	8 0 0
66/10½	26/10½	42/2½	29/4½	*Anglo-Persian* £1	32/6	34/1½	+1/7½	8 17 9
12/6	5/6	11/3	9/9	Apex (Trinidad) 5/-	10/-	10/6	+6d	9 16 0
20/-	9/6	14/6	8/3	Attock £1	8/9	8/9	...	Nil
2/9	11¼d	1/7½	1/-	Brit.Cont.Oils(V.T.Cts)	1/-	1/3	+3d	Nil
72/6	30/9	46/10½	33/9	Burmah Oil £1	38/-	42/6	+4/6	10 12 0
9/3	4/7½	8/0½	4/9	*Canadian Eagle, no par*	5/-	5/3	+3d	...
3/2½	1/1½	2/6½	1/4½	Kern River Oil 10/-	1/6	1/7½	+1½d	Nil
30/-	12/6	27/2½	16/3	Lobitos Oilfields £1	21/3	22/4	+1/3	8 17 9
10/9	5/6½	8/6	5/7½	*Mexican Eagle* (£1/0/6)	5/9	6/-	+3d	...
8/-	3/6	4/8½	3/3	Phoenix Oil £1	3/4½	3/6	+1½d	22 5 0
26⅛	9¾	20⅛	11¼	*Royal Dutch* (£8⅓)	12⅝	13¼	+¼	10 14 0
76/3	26/3	50/7½	29/4½	*Shell* £1	33/9	34/3	+6d	10 0 0†
30/1½	10/-	28/5½	21/9	*Trinidad Leaseholds* £1	35/-	26/10½	+1/10½	3 14 0
35/11½	15/6	27/2½	16/3	V.O.C. Ord. £1	22/-	22/-	...	9 0 0
				Miscellaneous.				
20/6	16/7½	21/3	18/-	Aerated Bread £1	20/7½	20/7½	...	4 17 0
33/3	15/-	16/9	15/-	Agar Cross £1	15/-	15/-	...	Nil
17/9	7/3	14/-	7/3	*Allied Newspapers* £1	11/3	10/-	-1/3	Nil
3/9	2/3	3/8½	2/4½	Amal. Dental Def. 5/-	3/3	3/-	-3d	7 3 9
20/-	11/-	13/6	10/6	Amal. Press (10/-)	12/6	12/6	...	8 16 0
38/6	21/3	28/9	20/7½	Army & Navy 10/-	23/9	23/-x	+1d	5 9 0
20/9	9/9	18/-	9/4½	Assocd. Newspra. Df. 5/-	16/3	15/-	-1/3	13 6 9
27/6	18/6	27/-	22/0½	*Assoc. P. Cement* £1	23/-x	22/-	-1/-	7 5 9
65/-	52/6	67/3	53/1½	Barker (John) £1	63/9x	61/3	-2/6	6 10 6
43/1½	23/1½	31/6	25/-	Barry & Staines Lino.	27/6	26/3	-1/3	5 14 3
14/3	7/-	11/6	7/6	Borax Deferred £1	8/1½	8/1½	...	Nil
37/6	29/4½	33/3	24/-	*Bovril Deferred* £1	25/6	25/6	...	7 15 0
31/3	18/9	29/3	21/10½	British Aluminium £1	23/9	22/6	-1/3	4 8 11
26/-	20/3	25/9	18/9	British Match £1	23/1½	23/1½	...	5 3 6†
105/-	65/7½	82/6	72/3	*Brit.-Am. Tobacco* £1	73/9	72/6	-1/3	5 10 3†
24/6	9/6	11/6	6/6	Carlton Hotel £1	7/6	7/6	...	8 0 0
6	2⅝	3½	2⅝	*Carreras "A" Ord.* £1	3⅝	3½	-⅛	9 10 0
37/-	25/-	31/3	22/-	Chinese Eng'g £1	22/-	23/-x	+1/6	2 4 0†
20/6	12/-	11/6	7/-	Crittall Manuftg. £1	7/6	7/6	...	5 15 0
5/7½	1/6	2/1½	1/3	*Debenhams Sec.* (5/-)	1/6	1/6	...	Nil
39/-	14/1½	15/2½	7/6	*Dunlop* £1	9/-	10/3	+1/3	Nil
45/7½	17/1½	23/6	10/3	*Elec. & Musical Ind.* £1	12/-	10/7½	-1/4½	Nil
23/6	17/-	25/4½	20/6	*Ever Ready Co.* 5/-	25/-	24/3	-9d	7 3 0
71/3	40/6	50/-	41/6	Finlay (James) & Co. £1	43/9	42/6	-1/3	7 1 3
6/3	2/3	3/9	2/6	Frederick Hotels 7/6	2/6	2/6	...	Nil
14/6	7/4½	10/4½	7/3	Gaumont-Brit. (10/-)	8/-	7/9	-3d	7 10 0
73/9	25/6	41/9	27/6	Harrisons & Cros. Def.	28/9	28/9	...	8 14 0
15/3	6/3	8/9	4/7½	Harrods (B.A.) 15/- Ord	5/-	5/-	...	Nil
59/9	42/6	54/3	45/-	*Harrods* £1	50/-	52/6	+2/6	6 18 0
15/6	11/3	15/6	12/9	Home&ColonialStores 4/-	14/9	15/-	+3d	6 13 3
17/1½	11/3	16/-	13/-	*Imperial Airways* £1	15/-x	14/3	-9d	4 3 6
21/3	8/7½	17/10½	13/6	*Imperial Chemical* Ord. £1	15/-x	14/-	-1/-	6 9 0
7/-	2/6	5/3	3/6	*Imperial Chemical* Def. (10/-)	4/-	3/9	-3d	Nil
95/11½	72/6	82/2½	74/0½	*Imperial Tobacco* £1	75/-	75/7½	+7½d	5 18 0†
$3⅜	$⅞	$1⅜	$⅞	*International Holdings*	$1	$⅞	-$⅛	...
$20½	$9⅜	$13⅛	$7½	*Inter. Nickel of Can.*	$7⅞	$7½	-$⅜	...
22/-	18/10½	26/1½	20/9	International Tea 5/-	25/6	25/6	...	5 16 6
£27⅛	£5½	£10⅛	10½d	*Kreuger & Toll* (kr. 100)	1/-	2/-	+1/-	...
24/3	20/-	24/0½	20/6	Lever Bros. 7% Cum. £1	23/6	24/-	+6d	5 18 0
23/7½	19/3	23/1½	20/-	Lever Bros. 8% Cm."A"Pf.£1	23/-	23/-	...	7 0 0
52/-	34/7½	46/6	40/3	Do. 20% Cm.Prf.Od.(£1)	46/3	45/7½	-7½d	8 15 0
41/-	30/6	40/-	29/-	London Brick £1	32/6	30/6	-2/-	13 1 0
101/3	81/3	98/9	93/6	Lyons (J.) £1	93/9	93/9	...	4 16 0
34/3	24/1½	33/-	23/-	Manbre and Garton £1	27/6	27/-	-6d	10 3 0
95/7½	68/1½	107/6	89/4½	Marks and Spencer 10/-	106/3	106/3	...	3 6 0
4/6	3/6	4/3	3/3	Maypole Dairy 2/-	3/9	3/9	...	7 10 0
6/6	1/6	4/3	2/4½	Millars Timber £1	2/6	2/6	...	Nil
8/1½	2/-	4/9	2/9	Platt Brothers £1	3/-	2/9	-3d	Nil
38/-	20/3	26/-	20/9	*Pinchin Johnson* 10/-	24/3	22/6	-1/9	7 14 0
106½	60	83½	61½	*Potash Syndicate of Germany* 7% Gld.	76½	73½	-3	9 10 6
102⅝	50	79¾	57	*Potash Syndicate of Germany* 6½% Bds	72½	72½	...	8 19 0
78/-	73/1½	78/9	74/6	Reckitt & Sons Ord. £1	78/-	78/-	...	4 9 0†
24/4½	10/7½	13/9	7/-	Roneo £1	7/6	7/6	...	Nil
32/6	17/6	29/6	21/3	Salt Union £1	26/3	26/3	...	7 0 0
29/3	15/-	19/-	13/6	Savoy Hotel £1	13/9	13/9	...	Nil
33/9	17/9	21/3	18/3	Schweppes Def. £1	18/9	18/9	...	7 9 0
21/9	16/1½	18/7½	16/-	Sears (J.) Ord. 5/-	18/-	16/3	-1/9	6 3 0†
27/-	21/6	24/4½	20/3	Slaters and Bodega £1	22/-	22/-	...	9 0 0
33/9	22/3	38/4½	32/-	Spillers Ord. £1	38/-	37/-	-1/-	8 2 0
13½	4½	6⅝	⅛	*Swed. Match, B.* (kr. 100)	12/6	7/6	-5/-	...
41/4½	31/3	45/-	35/6	Tate and Lyle £1	38/9	38/9	...	6 17 6
117/6	48/9	59/4½	43/6	Tilling, Thos., £1	55/-	53/9	-1/3	7 8 9
28/-	18/9	24/3	21/9	Tube Investments £1	23/9	23/9	...	6 14 9
41/3	21/9	32/2½	22/6	Turner & Newall £1	25/-	23/9	-1/3	4 4 2
44/4½	20/7½	32/2½	24/8½	Unilever £1	25/7½	27/6	+1/10½	7 5 6
37/6	28/-	38/10½	34/7½	United Dairies £1	38/6	38/6	...	5 12 0
16/3	5/1½	11/10½	4/7½	*United Molasses* £1	5/-	5/-	...	Nil
15/3	6/3	12/6	5/7½	Do. 6% Cum. Pref. £1	6/3	6/3	...	Nil
82/6	70/-	74/9	68/9	Utd. Tob. (South) Ord £1	68/9	68/9	...	6 10 0†
34/4½	19/6	29/1½	24/-	Wallpaper Mfrs. Def. £1	26/3	26/3	...	7 12 6
6/1½	1/10½	2/6	1/10½	Waring & Gillow Or. 10/-	2/-	2/-	...	Nil
11/4½	3/9	4/1½	2/3	Do. 6% Cum. Pref. £1	3/6	3/-	-6d	Nil
27/1½	19/6	28/6	24/3	Wiggins, Teape Ord. £1	26/3	26/3	...	7 12 6
50/3	34/3	58/9	47/6	*Woolworth (F.W.) Or* 5/-	55/-	55/6	+6d	6 3 0
				Mines.				
18/9	7/6	8/9	4/6	Anglo-Am. of S.A. 10/-	5/9	5/6	-3d	Nil
48/5½	24/6	41/9	23/1½	Ashanti Goldfields (4/-)	27/9	29/3	+1/6	...
12/6	7/6	13/1½	11/6	Broken Hill Prop. 8/-	12/1½	12/1½	...	Nil
10/11½	5/2½	9/8½	7/6	*Burma Corp.* (Rs. 10)	7/9	7/6	-3d	8 6 0
7/1½	2/10½	3/7½	2/3	*Bwana M'Kubwa*, 5/- fp	2/6	2/6	...	Nil
12½	5	11½	5¾	Central Mining £8	£8	£9	+£1	3 6 9
32/6	11/3	29/0½	13/9	Cons. Glds. of S. Af. £1	19/3	20/-	+9d	Nil
11/6	4/7½	6/6½	4/3	Cons. Mines Selection 10/	4/3	4/3	...	Nil
110/-	74/0½	5⅜	4⅜	Crown Mines 10/-	101/3	107/6	+6/3	6 11 0
5⅝	2½	4½	2⅛	De Beers Def. £2½	2⅝	2½	-⅛	Nil
95/3½	71/10½	93/4½	76/3	Geduld £1	80/-	82/6	+2/6	7 11 0
7/10½	6/1½	6/6	6/-	Idris Hyd. Tin 5/-	6/3	6/3	...	8 0 0
31/3	19/4½	26/9	19/6	Johan. Cons. £1	20/-	20/-	...	7 10 0
12/1½	7/7½	10/9	8/1½	Lake View and Star 4/-	9/9	10/-	+3d	Nil
2/9	9d	2/2½	1/1½	Loangwa 5/-	1/4½	1/3	-1½d	Nil
15/-	8/-	14/8½	7/6	*London Tin* 10/-	8/1½	8/9	+7½d	Nil
20/6	14/3	16/9	14/-	Malayan Tin 5/-	14/6	14/6	...	14 16 0
14/-	9/1½	12/1½	9/9	Modder B 5/-	9/9	10/6	+9d	27 10 0
19/1½	11/3	18/6	15/3	Mount Lyell £1	15/7½	15/7½	...	6 10 0
7/6	3/10½	5/-	3/1½	Pahang Consolid. 5/-	3/1½	3/1½	...	Nil
13/1½	6/3	7/6	5/3	Rhodes Anglo-Am. 10/-	5/6	5/6	...	Nil
8	3	4	2⅜	*Rhokana Corp.* £1	3	2⅞	-⅛	Nil
31	12	21½	11⅜	*Rio Tinto* £5	13	12⅞	-⅛	Nil
20/-	5/9	9/-	5/7½	*Roan Antelope Cpr.* 5/-	6/6	6/-	-6d	Nil
14/10½	6/10½	9/3	5/9	S. Francisco of Mex 10/-	5/9	5/9	+1½d	Nil
9/10½	4/9	7/6	5/-	Siamese Tin 5/-	5/7½	5/-	-7½d	15 0 0
79/4½	56/10½	74/4½	63/9	Springs Mines £1	68/9	70/-	+1/3	11 0 0
36/6	15/-	23/-	15/-	*Tanganyika* £1	15/-	15/-	...	Nil
15/9	9/9	14/-	12/3	Tronoh Mines 5/-	12/6	13/1½	+7½d	4 15 0
63/1½	41/3	58/1½	45/-	Union Corp. (12/6 fypd)	46/9	47/6x	+1/3	5 4 0
25/9	11/3	24/3	20/-	Zinc Corporation 10/-	21/3	20/-	-1/3	3 15 0

† Free of Income Tax.

NEW ISSUE PRICES.

Stock or Share.	Issue price.	Amt. paid.	Price, Apr. 27, 1932.	Price, May 4, 1932.
Agricultural Mortgage Corporation 4½% Deb. Stock, 1961–91	95	25	3½–4 pm	3½–3¾ pm
Brazil 5% 20 Yr. Funding "A"	...	...	55–56	50½–51½
Do. Funding "B"	...	...	34½–35½	31½–32½
Bristol Corporatn. 4½% Red. Stk. 1952–62	100½	20	¼–⅜ pm	¼–⅜ pm
Central Electricity Board 5% Debs.	95	75	7½–8 pm	8½–9 pm
Croydon Corporation 5% Stock 1950–60	100	65	6½–6¾ pm	6½–6¾ pm
Darlington Rustless Steel and Iron Ord. £1	...	£1	21/6–22/6	21/6–22/6
Electrical Distribution of Yorkshire 6% Preference £1	21/-	5/-	3/—3/3 pm	3/—3/6 pm
Fortnum and Mason 7% Cum. Pref. £1	21/-	5/-	1/—1/6 pm	1/—1/6 pm
Gateshead Corporation 4½% Red. Stk. 1952–62	...	...	99½–100½	99½–100½
Hull Corporation 4½% Stk. 1952–72	101½	5	...	½–¼ dis
India 5% 1942 47	95	5	...	1½–1¾ pm
Lever Bros. 5% Debs.	98	80	3¾–4¼ pm	4–4¼ pm
London and Home Counties Joint Electricity Authority 5% Stk. 1951–71	101½	21½	1¾–1¾ pm	2¼–2¾ pm
Lyons (J.) and Co. 7% Pref.	22/6	...	26/6–27/-	26/9–27/3
Meccano 6% Debs.	97½	27½	1½–½ dis	1½–1¼ dis
Murex 7% Pref.	21/-	10/-	1/3–9d. pm	1/3–9d. pm
Metropolitan District Railway 5% Deb. 1985–95	97½	20	6¼–6¾ pm	6–6¼ pm
Metropolitan Railway 5% Deb. 1957–62	97½	25	3¾–4¼ pm	4¼–5¼ pm
New Zealand 5% Ins. Stk. 1955–75	98½	28½	1–¾ dis	1–¾ dis
Nyasaland 4½% Gtd. 1952–72	97½	fy. pd.	5–5¼ pm	102½–103½
Poole Corporation 5% Stock 1952–72	100½	fy. pd.	105½–106½	105½–106½
Port of Calcutta 5½% Bearer Debs.	93½	...	94½–95½	95–96
Shropshire, Worcestershire, &c., Elec. Power 5% Deb. 1952–82	94	10	8–9 pm	8½–9½ pm
Slaters and Bodega 5½% Debs.	100	36	3–2 dis	4–3 dis
Swansea Gas 5½% Pref.	100	25	...	1½–2½ pm
West Bromwich Corpn. 4½% Red. Stock 1955–65	99½	19½	¾–¼ pm	¾–½ pm

(*Continued from page* 1031.)

a London quotation. Bank of France improved after early weakness. The Bourse was closed on Thursday, in common with those of other Continental centres, but a fair amount of buying was done through London.

	Apr. 28, 1932.	May 2, 1932.	May 4, 1932.		Apr. 28, 1932.	May 2, 1932.	May 4, 1932.
Banque de France	12,900	12,000	12,100	Wagons Lits	100	89	92
Crédit Lyonnais	1,845	1,740	1,780	Mexican Eagle	28	25	30
Suez Canal	13,520	12,790	13,600	"Chartered"	80	76	82
Chargeurs Réunis	215	200	191	Ford	112	97	112
Rio Tinto	1,200	1,137	1,194	De Beers	255	238	258
Royal Dutch	11,150	11,075	12,320	"Johnnies"	92	89	91

BERLIN.

The opening of the Berlin Bourse was quiet and uneventful, but the tone steadily improved. A.E.G. rallied on the publication of a further reassuring statement by the management to the effect that no capital reduction was contemplated. Siemens recovered after initial heaviness, and Dye Trust were marked up. Bank shares, however, were weaker, and potash shares were out of favour, but Reichsbank shares were a better market.

	Apr. 28, 1932.	May 2, 1932.	May 4, 1932.		Apr. 28, 1932.	May 2, 1932.	May 4, 1932.
Reichsbank	115	111	114½	A. E. G.	23	24½	25½
Disconto	34½	37½	37½	Siemens & Halske	105½	99½	105
Dresdner	23	21½	21	A. K. U.	35½	35½	38½
Norddeutscher Lloyd	16½	13½	14½	Svenska Tandsticks	12	11	11
				Ford Motor A. G.	...	56	...

AMSTERDAM.

The Amsterdam Bourse was quiet, and the volume of business small. Philips Lamps were firm on more favourable dividend hopes, and Unilever improved. Royal Dutch reacted immediately to the announcement of a world oil conference in America. Activity fell away on the eve of the mid-week holiday, without any perceptible weakening of the market's undertone.

	Apr. 28, 1932.	May 2, 1932.	May 4, 1932.		Apr. 28, 1932.	May 2, 1932.	May 4, 1932.
5½% German	32½	32½	33	Steel Common	31	29½	29½
Unilever N.V.	95	100½	105½	A. K. U.	28½	26½	27½
Philips' Lamps	57½	63	64	Ford Motor	95	94	101½
Netherlands Ship Union	40½	42½	45½	Deli Batavia	86	85	92
Java Cultuur	91	85	88	Royal Dutch	108½	107	120

OTHER CENTRES.

The minor European bourses experienced quiet but improving conditions. Brussels opened dull, in sympathy with Paris, but business broadened perceptibly as the week progressed. Vienna was heavy. Buying was just sufficient to keep prices steady at Stockholm, but Copenhagen remained irregular.

INVESTMENT NOTES.

Treasury Bond Issue.—The response to the sale by tender of 3 per Cent. ten-year Treasury bonds is discussed on an earlier page. The market is now discussing the possibility that the relative success of the issue may encourage the Treasury to make a conversion offer to holders of 4½ per Cent. Treasury Bonds, 1932-34. As the next table will show, there is a wide field for conversions of short-dated Government bonds this year and next:—

Amount of Loan.	Stock.	Accrued Interest.	Price.	Flat Yield per Cent.	Redemption Yield per Cent.
(Millions.)		£ s. d.		£ s. d.	£ s. d.
14	Treasury 4½% (Feb. 1, 1933)	1 3 5	101½	4 8 4	3 1 6 (1933)
140	Treasury 4½% (Feb. 1, 1932–34). (Repayable at 3 months notice.)	1 3 5	100½	4 9 0	3 16 10 (1934)
51	Treasury 4½% (Feb. 1, 1934)	1 3 5	102½	4 7 4	3 15 6 (1934)
115	Treasury 5% (Feb. 1, 1933–35)	1 6 0	102½	4 17 9	2 1 6 (1933) 4 3 4 (1935)
105	Treasury 4% (April 15, 1934–36)	4 8	102½	3 18 2	2 16 6 (1934) 3 6 0 (1936)

From this table it would appear not outside the bounds of possibility that the 4½ per Cent. Treasury Bonds, 1932-34, and Treasury 5 per Cent., 1933-35, amounting in all to £255 millions, may be the object of conversion operations within the next twelve months.

Accountants and Disclosure.—The presidential address of Mr H. L. H. Hill to the Institute of Chartered Accountants, on Wednesday, would seem to be intended as a formal dissociation of the Institute from the policy suggested by the Society of Incorporated Accountants and Auditors, which was described on page 981 of our last week's issue. Mr Hill's address dealt specifically with two of the main questions vexing the accounting profession to-day—secret reserves and disclosure by holding companies—but arrived at the conclusion that, while the law was not incapable of improvement, auditors did not require increased powers to enable them faithfully and properly to discharge their duties. This attitude may disappoint some who had hoped for a clear lead from the Institute. The larger accounting firms, who have invariably taken a high view of their duties and responsibilities, may doubtless be in a position to bring moral pressure to bear on directors. But individual accountants and small firms laboriously building up a practice—who represent no inconsiderable part of the profession—may be at a disadvantage if they are compelled, in effect, to choose between extra-legal ideals and their bread-and-butter. While we believe that the Council of the Society of Incorporated Accountants would have been wise not to commit itself to any specific programme in advance, we consider that a *prima facie* case has been made out for inquiry by an official body. If the Institute had seen fit to associate itself with such a request, the Board of Trade could scarcely have refused to listen to the unanimous voice of the two great professional associations.

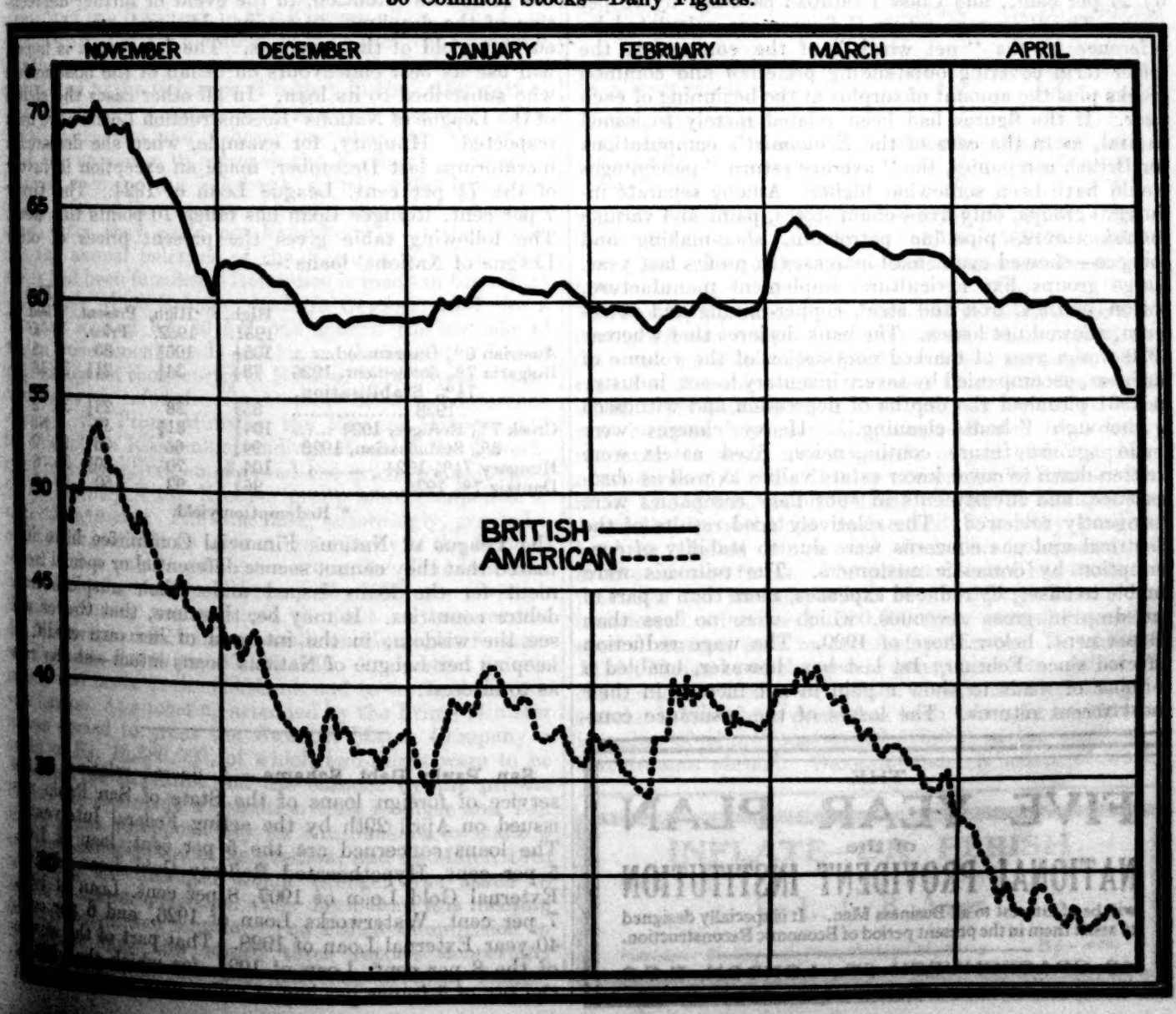
Depression and the Gramophone Trade.—The £1 shares of Electrical and Musical Industries, which were as high as 28s. 6d. earlier this year, touched 7s. 7½d. this week, and are now quoted at 10s. 6d. The company has issued an announcement to the effect that the work of co-ordination of the operating and subsidiary companies is progressing satisfactorily, and British sales have exceeded expectations. Unsettled conditions abroad, however, have so affected foreign sales that a trading loss must be anticipated for the current fiscal period, which closes on June 30th next. The financial position of the company, however, remains liquid. This statement did not come altogether as a surprise, since it was known that the foreign factories both of the Gramophone (H.M.V.) and Colombia subsidiaries—established in some cases to offset

the effects of high tariffs—were suffering from depression, which had been proportionately more severe in foreign countries than in Great Britain. At home, though sales of records (on which the large companies are now much more dependent than on sales of gramophones), have been relatively well maintained, on the whole, competition is severe, and numerous price reductions have recently been made. A process of consolidation is continuing among the "outside" companies which have survived the heavy mortality of the period of collapse following the unhappy boom of 1928-29. The Crystalate Company, an old-established and successful concern, which does a large business in the cheaper records sold by multiple stores like Woolworth and Marks and Spencer, has taken in the Vocalion Company. The latter has a considerable output capacity in the cheap and medium-priced types, though its recent financial results have been somewhat chequered. The Decca Record Company took the lead, last autumn, in the policy of price reduction of dance records, in which the "quantity" business of the industry is chiefly done. To this factor, and possibly to the acquisition of the services of a popular conductor, may be attributed a subsequent increase in sales, with its inevitable corollary, increased competition throughout the home market. The company has also extended its interests by acquiring the British rights in the "Polydor" records produced by the German Polyphon Company and, more recently, those of the (American) Brunswick organisation, through the acquisition of its British offshoot. At present prices, all gramophone companies must secure a large minimum turnover in order to make profits, and much depends upon the future stability of prices. From the point of view of shareholders, therefore, the continuance of the policy of co-ordination of H.M.V. and Columbia, mentioned in the directors' statement, is of the utmost importance, though the company may continue to market the products of the subsidiaries under separate trade names, to which a valuable goodwill attaches.

Course of Equity Share Values.—The past month has been a depressing period for holders of equity shares, both in this country and in America. Prices during the preceding four months had shown a series of minor rallies and recessions, but had tended to return, at four- or five-weekly intervals, to a more or less constant point of dead centre. During April, however, quotations broke well below this level in both centres, and, by the month-end, had shown no definite signs of having found a new bottom. In neither case were the reasons far to seek. American sentiment was discouraged by the publication of unfavourable earnings statements by large corporations like U.S. Steel, the tardiness of spring recovery in industry, the absence of all evidence of a responsible, constructive policy on the part of Congress, and the failure of much-advertised "reflation" measures to stimulate economic activity. In Great Britain industrial factors similarly played an important part in the decline in share values, particularly in the latter part of the month, when such indicators as the weekly returns of gross railway traffic suggested that trade recovery had suffered a perceptible, if slight, setback. The abortive nature of international discussions between responsible statesmen, and the growing evidence of financial weakness in certain European countries, also contributed to the creation of an unfavourable market "psychology." Much the most potent influence, however, was Mr Chamberlain's first Budget, which, with its insistence on

BRITISH AND AMERICAN INDUSTRIAL SHARE VALUES, November 1931 to April 1932.
(1928=100)

British: "Financial News" Index of 30 Ordinary Shares. American: "Standard Statistics" Index of 50 Common Stocks—Daily Figures.



the need for grim, continued sacrifice, left speculation less than nothing to go for. The decline in values in the second half of last month, which was much the steepest of its kind during any month since last November, was a conscious " safety first " movement out of equities into gilt-edged stocks, which the new tariffs, recommended by the Advisory Committee, were powerless to check. It will probably be followed by the inevitable upward reaction, but it remains to be seen whether any decided improvement will take place before the Ottawa and Lausanne Conferences.

American Industrial Profits.—A compilation of American industrial profits by the National City Bank, covering 1,620 concerns, suggests that the percentage decline last year was much more severe than in this country. The bank's figures are arrived at after deducting all charges but before allowing for preferred or common dividends. The results for large groups of enterprises are as follows:—

	Number of Companies.	Net Profits (million $).			Average Return.		
		1929.	1930.	1931.	1929.	1930.	1931.
					%	%	%
Manufacturing and Trading	1,302	3,525·8	1,936·6	718·1	13·5	6·7	2·5
Class I. Railroads	156	896·8	523·9	131·9	7·0	3·9	1·0
Electric Light, Gas, &c.	60	414·8	419·8	404·2	10·6	9·3	8·3
Telephone	24	217·1	201·6	193·4	11·2	9·7	6·8
Insurance*	60	73·0	*Dr107·5*	*Dr145·0*	8·7	...	...
Finance	18	36·6	35·3	26·9	17·4	10·7	8·3
Grand Total	1,620	5,164·1	3,009·8	1,329·5	11·3	6·0	2·6

* Fire and casualty insurance. Figures show total shareholders' gains or losses on both underwriting and investments.

Last year's losses were severe, even as compared with the reduced figures for 1930. The insurance companies showed a debit balance, finance companies' earnings fell by 24 per cent., and Class I railroad earnings by 75 per cent. The " average return " figures are calculated by reference to the " net worth " of the companies, the latter term covering outstanding preferred and common stocks plus the amount of surplus at the beginning of each year. If the figures had been related merely to issued capital, as in the case of the *Economist's* computations for British companies, the " average return " percentages would have been somewhat higher. Among separate industrial groups, only five—chain stores, paint and varnish manufacturers, pipe-line petroleum, shoe-making and tobacco—showed even small increases in profits last year. Large groups like agricultural implement manufacture, cotton textiles, iron and steel, copper-mining and petroleum, showed net losses. The bank declares that whereas 1930 was a year of marked contraction of the volume of business, accompanied by severe inventory losses, industry in 1931 plumbed the depths of depression and witnessed a thorough " house-cleaning." Heavy charges were made against future contingencies, fixed assets were written down to cover lower estate values as well as obsolescence, and investments in subsidiary companies were stringently reviewed. The relatively good results of the electrical and gas concerns were due to stability of consumption by domestic customers. The railroads were unable to offset, by reduced expenses, more than a part of the drop in gross revenues, which were no less than 33 per cent. below those of 1929. The wage reduction effected since February 1st last has, however, enabled a number of roads to show a gain in net income in their most recent returns. The losses of the insurance companies were due to severe depreciation in bond and share investment values. Their real loss was greater than the figures show, since in a number of States official authority was given for the valuation of securities on December 31st last, at the end-June quotations.

Greek Default.—The discussions which have been proceeding between the Greek Government and the Financial Committee of the League of Nations regarding the financial assistance required to avert the calamity of default have been described in recent issues of the *Economist*. It was confidently expected in the market that a default would be avoided. The Greek Government had asked for a suspension of sinking funds for five years and a temporary postponement of funds for the May 1st coupons, pending the receipt of financial assistance, but it was felt that M. Venizelos had, possibly, slightly exaggerated Greece's financial plight in order to obtain the largest possible assistance. It came, therefore, as a considerable shock to the market to learn this week that Hambros Bank had not received the necessary funds for the payment of the May 1st coupons of the 7 per cent. Refugee Loan of 1924. The laconic *communiqué* from the Greek Government: " We request bondholders to tolerate the provisional postponement of the transfer of the coupons of May 1st and to defer any other negotiations until the next meeting of the Council of the League of Nations," created a most unfavourable impression. It was argued that if Bulgaria could find the funds to meet the May 15th coupons in full on its 7½ per cent. Stabilisation Loan of 1928, Greece could scarcely plead complete poverty. The bondholders, are not, however, entirely defenceless. The International Financial Commission, which manages the assigned revenues of Greece, has protested against the action of the Greek Government, and is retaining from the assigned revenues the amount necessary to cover the service of the loan at the current rates of exchange, and has stated its intention, in the event of further depreciation of the drachma, to retain additional sums from the current yield of the revenues. The League, it is hoped, will use its best endeavours on behalf of the bondholders who subscribed to its loan. In all other cases the claims of the League of Nations' Reconstruction Loans have been respected. Hungary, for example, when she declared a moratorium last December, made an exception in favour of the 7½ per cent. League Loan of 1924. The Greek 7 per cent. Refugee Loan has fallen 10 points this week. The following table gives the present prices of other League of Nations' loans:—

	High, 1931.	High, 1932.	Present Price.	Flat Yield %. £ s. d.
Austrian 6% Guaranteed	105½	100¾	80	7 5 0*
Bulgaria 7% Settlement, 1926	78½	34½	21½	35 18 0
7½% Stabilisation, 1928	83¾	38	25½	34 2 0
Greek 7% Refugee, 1924	104½	81½	30	Nil
6% Stabilisation, 1928	94½	66	25	26 2 0
Hungary 7½% 1924	104 15/16	70	30½	26 6 0
Dantzig 7% 1925	96¾	92	50	14 6 0

* Redemption yield.

The League of Nations Financial Committee have intimated that they cannot secure differential or special treatment for the loans issued under their auspices from debtor countries. It may be, therefore, that Greece will see the wisdom, in the interests of her own credit, of keeping her League of Nations' loans intact—at any rate as to interest.

San Paulo Debt Scheme.—A decree relating to the service of foreign loans of the State of San Paulo was issued on April 29th by the acting Federal Interventor. The loans concerned are the 5 per cent. loan of 1904, 5 per cent. Hypothecated Railway Gold Loan of 1908, External Gold Loan of 1907, 8 per cent. Loan of 1895, 7 per cent. Waterworks Loan of 1926, and 6 per cent. 40-year External Loan of 1928. That part of the service of the 8 per cent. Loan of 1921, for which the yield of the tax of 5 francs per bag of coffee may not be sufficient

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will also be included in the terms of the decree, while the Government will meet immediately in the same manner those instalments of the service of the loans which, at the present date, are in arrears. Under the scheme, the State Treasury will remit to the bankers of each loan on due service dates two promissory notes carrying interest at 5 per cent. due in two years from the issue dates, one corresponding to that part of the service relating to interest and the other to that part relating to amortisation. As cover and in guarantee of the promissory notes, the Treasury will employ in the country in easily realisable securities, the deposits which it undertakes to make monthly in the Bank of Brazil: viz., beginning on April 30th of the current year inclusive, and in each of the eight succeeding months, 4,000 contos of reis; during the next succeeding nine months, 5,000 contos of reis; and during the next six months immediately following, 6,500 contos of reis. Such deposits can only be withdrawn or negotiated for the purpose of being converted into dollars, pounds or francs or other currencies mentioned in the respective contracts and remitted to the bankers. The proceeds of the remittances will be used for the redemption of the promissory notes, the maturity of which may be prolonged for one year at the option of the Government, provided it deposits monthly the sum of 5,000 contos of reis. The redemption of the promissory notes issued for amortisation may be made in bonds of the respective loans at the price at which they were purchased. The purchases of the bonds will be made by the bankers of the respective loans at prices previously agreed between the Treasury and the bankers. In the case of anticipated payments the Treasury may redeem in the first place the promissory notes for amortisation, but following the chronological order of their issue, and the redemption shall be *pro rata* to the amount of promissory notes for amortisation issued for each loan.

Kreuger (Continued.).—The Banking Committee of the Swedish Riksdag has issued a report regarding the management of the Riksbank in the Kreuger affair. The Conservative and Farmer members of the Committee consider that the granting of extensive credits to the Kreuger group contributed to the tightness of money in the latter part of 1931 and to the suspension of the gold standard. The Social Democrats and Liberal members, on the other hand, see no reason to reproach the Riksbank leadership. In their opinion, the Riksbank rightly extended these credits to avoid the disaster of bankruptcy of the Kreuger group, since they could not have known, at that time, that the annual balances of the Kreuger and Toll companies had been falsified. Reference is made in the report to demands which Kreuger made in October, 1931, for a Riksbank loan of Kr. 40 millions against the security of foreign Government bonds and for another credit of Kr. 86 millions against the security of Boliden Mine shares. Both requests were refused. On October 23rd a conference was held, the Prime Minister, the Finance Minister and the chief of the Riksbank attending, at which the Government representatives emphasised the grave consequences for the country if the Kreuger group were compelled to suspend payments. The Riksbank, accordingly, granted a credit of Kr. 40 millions against the security of the Boliden shares and a partial guarantee from the Skandinaviska Kreditaktiebolaget. On February 23, 1932, the Swedish Match Company was required to meet an engagement due in America of $2 millions, while on March 1st Kreuger and Toll were due to pay $1,200,000. Application for this money was made to the Riksbank and to some of the private banks. At a meeting attended by the Prime Minister it was agreed to grant the Swedish Match Company a credit of Kr. 16,680,000, of which two-thirds were to be found by the Riksbank and the balance by the private banks. It was made a condition that Kreuger and Toll should grant an opportunity for the bankers to make a complete investigation of its position, and on March 18th a meeting was arranged which Kreuger was asked to attend to answer questions. The day before this meeting Kreuger committed suicide. The Police Commission in Stockholm have now issued three reports concerning their investigations into the activities of Mm. Lange, Holm and Huldt, who are under arrest. M. Lange declares that he was instructed by Kreuger each year as to the book-keeping, and that in 1930-32 he was sent to different places in France to sell Kreuger's own holdings in Kreuger and Toll. M. Huldt is alleged to have acted secretly for Kreuger in amalgamating the still independent match companies in France and Belgium. The police continue their investigations into the Kreuger defalcations, and a fifth Swedish subject, named Bredberg, has been arrested. This man had been living at Zurich since 1923, where he acted as the manager and accountant of five small subsidiary companies connected with the Kreuger and Toll group. An estimate of the Swedish losses in connection with the collapse of the Kreuger group gives the total Swedish holding in Swedish Match and Kreuger and Toll shares and debentures at Kr. 335 millions at Stock Exchange values on July, 1931. This estimate can only give a very rough idea of the Swedish investment as the original purchase prices and subsequent sales are left out of account. The loss of prestige which Sweden has suffered in consequence of the Kreuger frauds cannot be measured in figures.

Dunlop Accounts.—Dunlop ordinary units, always a sensitive market, improved from 7s. 9d. to 10s. 6d. on the issue of the report for 1931, which showed that although preference dividends had not been fully earned (thanks to higher taxation requirements), the company had more than maintained its liquidity, stock-in-trade having declined by £490,000, while British Government and other securities increased by £704,000, cash by £673,000, and net current assets by £565,000:—

Years to December 31.	1929.	1930.	1931.
	£	£	£
Profit	2,226,612	1,160,478	1,098,312
Depreciation	220,888	211,265	218,559
Taxes	225,761	100,031	374,943
Directors' fees	8,120	8,000	8,000
Debenture interest, &c.	421,019	399,789	391,724
Net profit	1,350,824	441,393	105,086
Brought forward	801,278	782,328	568,023
Preference dividend	295,313	290,625	281,250
No. of times covered	*4·6*	*1·5*	*0·4*
Ordinary dividend:—			
Amount	924,460	365,073	Nil
Earned %	*17·1*	*2·5*	*Nil*
Paid %	15	6	Nil
Reserve	150,000†	Nil	Nil
Carried forward	782,328	568,023	391,859

† In addition to £193,393, premiums on shares issued during the year.

The Dunlop accounts have increased in detail and clarity during recent years. The present report contains, not only the inevitable apologia for reduced earnings, but a recital of the steps taken to meet them and the way in which every balance sheet item has been arrived at. The tyre business has necessarily been affected by a heavy reduction in world motor vehicle output and "replacement demand." The Dunlop companies in France, Germany and Japan, and the Dunlop Perdriau Company of Australia, nevertheless, maintained a healthy position, but the United States and Canadian companies encountered hard times. The parent concern has made full provision for its proportion of subsidiary losses, and transferred a further £1,000,000 from general reserve to special reserve, as a measure of prudence. In addition, £156,000 has been charged to general reserve against exchange losses arising out of the abandonment of the gold standard, though no credit has been taken for an increase in value of approximately £2,500,000 in the company's investments abroad. Stock-in-trade, a source of weak-

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ness more than once in the past, to-day is low and conservatively valued, and the company is not burdened by onerous forward contracts. The balance sheet itself is, without doubt, the most informative document published by any major British concern. Every species of asset and liability is separately given and arranged under its appropriate generic heading. Taxation reserve, for instance, is segregated from sundry creditors, the reserve for inter-company profits in subsidiary stock valuations is disclosed, and proposed dividends are treated as a liability, so that the profit-and-loss balance shows the net amount remaining in the business. The directors and accountants may next consider the possibility of publishing quarterly accounts and a consolidated balance sheet.

British Match.—The directors of this company, which holds all the ordinary shares of Bryant and May and J. J. Masters and Company, have already issued a reassuring statement to the effect that the concern has no holding of shares in Kreuger and Toll or Swedish Match, and that no loans have been made with these companies or any financial guarantees undertaken. The latest accounts should confirm favourable impressions as to the company's position. Revenue from investments has declined by a modest 5 per cent., and an unchanged ordinary distribution is fully covered:—

Year to April 30.	1930.	1931.	1932.
	£	£	£
Revenue from investments	506,993	480,314	455,917
Interest, &c.	6,197	3,853	7,118
Expenses	23,008	23,090	26,411
Depreciation	3,301	Nil	Nil
Directors' fees	3,900	3,900	§
Net profit	482,981	457,177	436,624
Brought forward	51,208	67,466	94,789
Preference dividend (net)	23,121	22,814	21,950
No. of times covered	*16·7*	*15·8*	*15·1*
Ordinary dividend:—			
Amount	371,250	371,250	371,250
Earned %	*7·6*	*6·9*	*6·6*
Paid %	6	6	6
Goodwill, &c., written off	80,000	40,000	40,000
Reserve	...	...	50,000
Carried forward	67,466†	94,789†	54,186†

§ Included under "Expenses."
† Including £7,649 repayment of income tax in 1930, £4,210 in 1931 and £5,972 in 1932.

Goodwill stands in the balance sheet at £680,000. The position is liquid, cash having increased from £326,504 to £401,700. A continuous transfer audit has been performed during the year, and a certificate dated May 2, 1932, states that balances on the share registers as on April 30, 1932, agree in total with the number of shares issued as shown in the balance sheet. At £1 $\frac{5}{32}$, the £1 ordinary shares yield about £5 8s. per cent., tax free.

Combined Pulp and Paper.—On Wednesday, May 4th, a City of London Special Jury, in the King's Bench Division, returned a verdict in favour of the plaintiffs in an action in which Combined Pulp and Paper Mills, Limited, claimed damages for alleged conspiracy, fraud and breach of duty, and repayment of dividends from certain parties. The company was formed in October, 1927, with a capital of £395,000. It was alleged that the defendants had represented, fraudulently, that the company's profits for the first year were £200,000, whereas, in fact, a loss was incurred. It was also alleged that on the basis of these representations they had issued a further £395,000 of capital at such premiums that they received over £600,000. Further allegations were that a dividend of just over 20 per cent. had been paid out of capital and that at the end of the second year a profit of £100,000 had been declared, whereas a loss had been incurred and all the assets had disappeared. The jury returned a verdict for the plaintiff company against the defendants, A. M. Oppenheimer, Sir Walter Townley, Adolph Goldsmith and Eugen Spier, assessing the damages in each case at £92,400—the amount of the dividend which had been voted on the advice of the former directors. The jury awarded the plaintiffs £267,000 as against Baron Philipp, whom Mr Justice MacKinnon described as the villain of the piece, and £24,400 as against Thomas Froude. In the case of Sir Henry Penson, the jury returned a verdict in his favour against the company. It was directed that any question against the firm of Messrs. Oscar Berry, Froude and Company should stand over. Judgment was entered on these lines, but a stay of execution was granted. As regards the legal ground for the verdict, Mr Justice MacKinnon stated that the jury had sent a message asking whether they should specify whether they found a verdict on the ground of fraud or wilful default, but that he had told them that in his view the distinction was immaterial.

Spillers Directors' Fees.—The sting of the latest report of Spillers, Limited, lies in its tail. The company, in the year to January 31st last, has completed the excellent recovery initiated during the previous twelve months. Profit has risen from a minus quantity of £170,000 in 1929-30 to £414,000 in 1930 and £549,000 in 1931-32, and the deferred shareholders this year are receiving a dividend of 10 per cent. after going dividendless since 1924-25:—

	Years to January 31,		
	1930.	1931.	1932.
	£	£	£
Profit	*Dr.170,344*	413,593	549,185
Directors' fees	20,500	20,911	34,509
Staff benefit	...	...	125,000
Investments reserve	...	100,000†	24,888‡
Note interest	30,667	20,238	12,779
Net profit	*Dr.221,511*	272,444	352,077
Brought forward	182,973	56,597	129,546
Preference dividend	54,865	53,151	51,436
No. of times covered	...	*5·1*	*6·1*
Ordinary dividend:—			
Amount	Nil	140,344	203,725
Earned %	Nil	*15*	*15·1*
Paid %	Nil	10	15
Deferred dividend:—			
Amount	Nil	Nil	62,480
Earned %	Nil	*0·5*	*15·1*
Paid %	Nil	Nil	10
Co-partnership dividend	Nil	584	1,597
Carried forward	56,597*	129,546§	162,405‖

* After transferring £150,000 from taxation and contingencies reserve.
† For losses sustained by subsidiaries.
‡ Loss on sale and depreciation of investments.
§ After deduction of directors' extra remuneration: £5,417.
‖ Before deduction of directors' proposed extra remuneration: £38,632.

The directors have tabled a resolution under which they will receive, in respect of the past year, a further £38,632 and a future maximum of £40,000, or £74,500 in all. The additional remuneration will be based on the dividends earned and paid on the deferred shares. The directors claim to devote the whole of their time to the business of the company, but a maximum remuneration of £10,643 to each of seven individuals is decidedly high. The cost of the additional remuneration will fall entirely upon the deferred shareholders, so long as the latters' dividends do not exceed 15 per cent. It would appear objectionable in priciple to base additional directors' remuneration on the payment of dividends, so that potential conservatism in profits distribution must be associated with pecuniary sacrifice by the board.

Drastic Tin Restriction.—In an Investment Note in the *Economist* last week, we referred to the decision of the International Tin Committee to recommend to the four signatory Governments—Bolivia, Malaya, Dutch East Indies and Nigeria—a cut at the rate of 20,000 tons a year as from June 1, 1932, in allowable quotas, which would bring down the world production for the restricting areas to 90,000 tons per annum. The London Council of the Tin Producers' Association has now proposed a far

more drastic scheme. This provides for a further curtailment of production by way of entire suspension for two consecutive months in all the participating countries from June 1, 1932; or alternatively a restriction of the quota to 18¾ per cent. of standard for the first three months, i.e., from June to August. Production thereafter under this plan will be resumed at the rate of 40 per cent. of standard and will continue on this basis until the price of tin averages £200 per ton per calendar month, when the quota will be advanced to 50 per cent. of standard. This scheme is conditional on the International Tin Pool's increasing its minimum selling price to £200 a ton. The quota of production is to be maintained at 50 per cent. of standard until the pool has realised one-third, namely, 7,000 tons, of the tin it holds, such releases to begin when the price has averaged £200 a ton for a calendar month with a quota running at 50 per cent. Should the price fall back below £200 a ton for a calendar month, the quota is to revert to 40 per cent. and further releases by the International Tin Pool will cease until the price has again averaged £200 per ton for a calendar month. The remaining two-thirds of the tin held by the Tin Pool will be released when the price of tin has been maintained at £210 a calendar month and the quota will be kept at 50 per cent. of standard until the Pool has been finally liquidated. The standard tonnage allotted to Malaya, Bolivia, Dutch East Indies and Nigeria under the quota scheme is 161,846 tons. 40 per cent. of the standard thus represents a rate of 64,738 tons. The present quotas are at the rate of 91,096 tons, and the 20,000 tons cut proposed by the International Tin Committee, if accepted by the four Governments, implies a reduction to 71,096 tons. The Tin Producers' Association are of the opinion that the sacrifices which this scheme calls from the tin producers during the first three months will be fully recompensed by the higher price for tin which should be assured. It is believed that the production will be brought within the present rate of consumption, while there will be an appreciable reduction in stocks. The effect of this scheme has been to cause an immediate jump in the price of tin, the price on Thursday being £130, as compared with £117 per ton on Monday. Whether the price of tin can be run up to £200 a ton within the next twelve months by means of an arbitrary bureaucratic restriction of supplies appears on the face of it improbable, for it implies a buoyancy of demand which only a world recovery in trade will bring about.

An Oil Truce (?).—In a leading article, last week, we referred to the possibility of an advance in petrol prices, following upon the elimination of price-cutting in the British and European markets. We referred in particular to the negotiations for the purchase of the foreign properties of the Standard Oil Company of Indiana by the Standard Oil Company of New Jersey which would eliminate a most important source of price-cutting, and leave the Russian Oil Products and the Roumanian exporters as the only possible cause for future trouble. It is now announced that a conference is to be held in New York to discuss the world restriction scheme propounded by Mr Aug. Kessler (described in the *Economist* of March 26, 1932, page 695), at which the Roumanian and Russian representatives will be present. Whether any agreement can be reached regarding restriction on a world scale in accordance with Mr Kessler's plan is doubtful, but no doubt an opportunity will be taken to arrive at an agreement with the Russian and Roumanian producers regarding a quota of the export trade in the various markets. A report of the negotiations has already brought about a recovery in the oil share market.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies: Union Bank of Scotland, London and Lancashire Insurance, [illegible] Union and National Insurance, Licenses and General Insurance, Equitable Life Assurance Society, Provident and Century Life Office, Anglo-American Debenture Corporation, Calcutta Tramways, and Thomas W. Cook and Company. At the annual meeting of the London and Lancashire Insurance Company Mr F. W. Pascoe Rutter referred to the burdens under which the country was suffering. When it was considered that our aggregate taxation amounted to no less than £16 7s. 1d. per head (50 per cent. more than that of France and 100 per cent. more than that of any other country), it must be clear that its prolonged continuance would be an arithmetical impossiblity. Presiding at the annual meeting of the Scottish Union and National Insurance Company, Mr G. A. Connor pointed out that a very staisfactory feature of the balance sheet was that they had not found it necessary to provide for any depreciation in the value of the assets, any decrease in the market value of the company's sterling assets having been made good by the increase in sterling values of the company's holdings of American and Canadian dollar investments. At the annual meeting of the Anglo-American Debenture Corporation Mr R. S. Guinness said the fall in values during the past year had been heaviest in their United States holdings, which, however, represented only about 8½ per cent. of the total investments. The depreciation of their American securities was no less than 58½ per cent., against 12 per cent. for quotations in this country.

CAPITAL ISSUES.

Apart from the issue of Three per Cent. Treasury Bonds, which is dealt with on earlier pages, the week's new capital oeffrs were, with one exception, of an industrial or public utility character. The exception was the offer by the *Hull Corporation* of £1,000,000 4½ per Cent. Stock at a premium of ½ per cent. This was a trustee issue by a progressive borough with an outstanding debt representing about seven times the rateable value, of which two-thirds was in respect of productive undertakings. The *Scottish Power Company, Limited*, issued 600,000

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CAPITAL Authorised and Subscribed	£10,000,000
CAPITAL PAID UP	£2,500,000
RESERVE FUND	£3,164,170
CAPITAL UNCALLED	£7,500,000
	£13,164,170

Board of Directors.

William Paterson Arbuthnot, Esq.
Rt. Hon. the Earl of Athlone, K.G.
Rt. Hon. Lord Balfour of Burleigh.
Stanley Christopherson, Esq.
Edward Clifton-Brown, Esq.
Robert E. Dickinson, Esq.
Horace Peel, Esq.
Rt. Hon. the Earl of Selborne, K.G.
William Smart, Esq.
Rt. Hon. Lord Sydenham, G.C.S.I., F.R.S.
Sir Roderick Roy Wilson.

Joint General Managers in South Africa—James S. Shiel, G. F. Le Sueur, W. K. Robertson.
Deputy General Managers in South Africa—Francis E. King, Herbert G. Hoey.
Assistant General Manager in South Africa—E. C. Frost.
London Manager—Bertram Lowndes.
Secretary—T. D. Williams.

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and 77, KING WILLIAM STREET, LONDON, E.C.4.
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ness more than once in the past, to-day is low and conservatively valued, and the company is not burdened by onerous forward contracts. The balance sheet itself is, without doubt, the most informative document published by any major British concern. Every species of asset and liability is separately given and arranged under its appropriate generic heading. Taxation reserve, for instance, is segregated from sundry creditors, the reserve for inter-company profits in subsidiary stock valuations is disclosed, and proposed dividends are treated as a liability, so that the profit-and-loss balance shows the net amount remaining in the business. The directors and accountants may next consider the possibility of publishing quarterly accounts and a consolidated balance sheet.

British Match.—The directors of this company, which holds all the ordinary shares of Bryant and May and J. J. Masters and Company, have already issued a reassuring statement to the effect that the concern has no holding of shares in Kreuger and Toll or Swedish Match, and that no loans have been made with these companies or any financial guarantees undertaken. The latest accounts should confirm favourable impressions as to the company's position. Revenue from investments has declined by a modest 5 per cent., and an unchanged ordinary distribution is fully covered:—

Year to April 30.	1930.	1931.	1932.
	£	£	£
Revenue from investments	506,993	480,314	455,917
Interest, &c.	6,197	3,853	7,118
Expenses	23,008	23,090	26,411
Depreciation	3,301	Nil	Nil
Directors' fees	3,900	3,900	§
Net profit	482,981	457,177	436,624
Brought forward	51,208	67,466	94,789
Preference dividend (net)	23,121	22,814	21,950
No. of times covered	*16·7*	*15·8*	*15·1*
Ordinary dividend:—			
Amount	371,250	371,250	371,250
Earned %	*7·6*	*6·9*	*6·6*
Paid %	6	6	6
Goodwill, &c., written off	80,000	40,000	40,000
Reserve	...	...	50,000
Carried forward	67,466†	94,789†	54,186†

§ Included under "Expenses."
† Including £7,649 repayment of income tax in 1930, £4,210 in 1931 and £5,972 in 1932.

Goodwill stands in the balance sheet at £680,000. The position is liquid, cash having increased from £326,504 to £401,700. A continuous transfer audit has been performed during the year, and a certificate dated May 2, 1932, states that balances on the share registers as on April 30, 1932, agree in total with the number of shares issued as shown in the balance sheet. At £1 $\frac{5}{32}$, the £1 ordinary shares yield about £5 8s. per cent., tax free.

Combined Pulp and Paper.—On Wednesday, May 4th, a City of London Special Jury, in the King's Bench Division, returned a verdict in favour of the plaintiffs in an action in which Combined Pulp and Paper Mills, Limited, claimed damages for alleged conspiracy, fraud and breach of duty, and repayment of dividends from certain parties. The company was formed in October, 1927, with a capital of £395,000. It was alleged that the defendants had represented, fraudulently, that the company's profits for the first year were £200,000, whereas, in fact, a loss was incurred. It was also alleged that on the basis of these representations they had issued a further £395,000 of capital at such premiums that they received over £600,000. Further allegations were that a dividend of just over 20 per cent. had been paid out of capital and that at the end of the second year a profit of £100,000 had been declared, whereas a loss had been incurred and all the assets had disappeared. The jury returned a verdict for the plaintiff company against the defendants, A. M. Oppenheimer, Sir Walter Townley, Adolph Goldsmith and Eugen Spier, assessing the damages in each case at £92,400—the amount of the dividend which had been voted on the advice of the former directors. The jury awarded the plaintiffs £267,000 as against Baron Philipp, whom Mr Justice MacKinnon described as the villain of the piece, and £24,400 as against Thomas Froude. In the case of Sir Henry Penson, the jury returned a verdict in his favour against the company. It was directed that any question against the firm of Messrs. Oscar Berry, Froude and Company should stand over. Judgment was entered on these lines, but a stay of execution was granted. As regards the legal ground for the verdict, Mr Justice MacKinnon stated that the jury had sent a message asking whether they should specify whether they found a verdict on the ground of fraud or wilful default, but that he had told them that in his view the distinction was immaterial.

Spillers Directors' Fees.—The sting of the latest report of Spillers, Limited, lies in its tail. The company, in the year to January 31st last, has completed the excellent recovery initiated during the previous twelve months. Profit has risen from a minus quantity of £170,000 in 1929-30 to £414,000 in 1930 and £549,000 in 1931-32, and the deferred shareholders this year are receiving a dividend of 10 per cent. after going dividendless since 1924-25:—

	Years to January 31, 1930.	1931.	1932.
	£	£	£
Profit	*Dr.170,344*	413,593	549,185
Directors' fees	20,500	20,911	34,500
Staff benefit	...	...	125,000
Investments reserve	...	100,000†	24,838‡
Note interest	30,667	20,238	12,779
Net profit	*Dr.221,511*	272,444	352,077
Brought forward	182,973	56,597	129,546
Preference dividend	54,865	53,151	51,436
No. of times covered	...	*5·1*	*6·1*
Ordinary dividend:—			
Amount	Nil	140,344	203,725
Earned %	Nil	*15*	*15·2*
Paid %	Nil	10	15
Deferred dividend:—			
Amount	Nil	Nil	62,480
Earned %	Nil	*0·5*	*15·2*
Paid %	Nil	Nil	10
Co-partnership dividend	Nil	584	1,597
Carried forward	56,597*	129,546§	162,405‖

* After transferring £150,000 from taxation and contingencies reserve.
† For losses sustained by subsidiaries.
‡ Loss on sale and depreciation of investments.
§ After deduction of directors' extra remuneration: £5,417.
‖ Before deduction of directors' proposed extra remuneration: £38,632.

The directors have tabled a resolution under which they will receive, in respect of the past year, a further £38,632 and a future maximum of £40,000, or £74,500 in all. The additional remuneration will be based on the dividends earned and paid on the deferred shares. The directors claim to devote the whole of their time to the business of the company, but a maximum remuneration of £10,643 to each of seven individuals is decidedly high. The cost of the additional remuneration will fall entirely upon the deferred shareholders, so long as the latters' dividends do not exceed 15 per cent. It would appear objectionable in priciple to base additional directors' remuneration on the payment of dividends, so that potential conservatism in profits distribution must be associated with pecuniary sacrifice by the board.

Drastic Tin Restriction.—In an Investment Note in the *Economist* last week, we referred to the decision of the International Tin Committee to recommend to the four signatory Governments—Bolivia, Malaya, Dutch East Indies and Nigeria—a cut at the rate of 20,000 tons a year as from June 1, 1932, in allowable quotas, which would bring down the world production for the restricting areas to 90,000 tons per annum. The London Council of the Tin Producers' Association has now proposed a far

more drastic scheme. This provides for a further curtailment of production by way of entire suspension for two consecutive months in all the participating countries from June 1, 1932; or alternatively a restriction of the quota to 15½ per cent. of standard for the first three months, i.e., from June to August. Production thereafter under this plan will be resumed at the rate of 40 per cent. of standard and will continue on this basis until the price of tin averages £200 per ton per calendar month, when the quota will be advanced to 50 per cent. of standard. This scheme is conditional on the International Tin Pool's increasing its minimum selling price to £200 a ton. The quota of production is to be maintained at 50 per cent. of standard until the pool has realised one-third, namely, 7,000 tons, of the tin it holds, such releases to begin when the price has averaged £200 a ton for a calendar month with a quota running at 50 per cent. Should the price fall back below £200 a ton for a calendar month, the quota is to revert to 40 per cent. and further releases by the International Tin Pool will cease until the price has again averaged £200 per ton for a calendar month. The remaining two-thirds of the tin held by the Tin Pool will be released when the price of tin has been maintained at £210 a calendar month and the quota will be kept at 50 per cent. of standard until the Pool has been finally liquidated. The standard tonnage allotted to Malaya, Bolivia, Dutch East Indies and Nigeria under the quota scheme is 161,846 tons. 40 per cent. of the standard thus represents a rate of 64,738 tons. The present quotas are at the rate of 91,096 tons, and the 20,000 tons cut proposed by the International Tin Committee, if accepted by the four Governments, implies a reduction to 71,096 tons. The Tin Producers' Association are of the opinion that the sacrifices which this scheme calls from the tin producers during the first three months will be fully recompensed by the higher price for tin which should be assured. It is believed that the production will be brought within the present rate of consumption, while there will be an appreciable reduction in stocks. The effect of this scheme has been to cause an immediate jump in the price of tin, the price on Thursday being £130, as compared with £117 per ton on Monday. Whether the price of tin can be run up to £200 a ton within the next twelve months by means of an arbitrary bureaucratic restriction of supplies appears on the face of it improbable, for it implies a buoyancy of demand which only a world recovery in trade will bring about.

An Oil Truce (?).—In a leading article, last week, we referred to the possibility of an advance in petrol prices, following upon the elimination of price-cutting in the British and European markets. We referred in particular to the negotiations for the purchase of the foreign properties of the Standard Oil Company of Indiana by the Standard Oil Company of New Jersey which would eliminate a most important source of price-cutting, and leave the Russian Oil Products and the Roumanian exportas as the only possible cause for future trouble. It is now announced that a conference is to be held in New York to discuss the world restriction scheme propounded by Mr Aug. Kessler (described in the *Economist* of March 26, 1932, page 695), at which the Roumanian and Russian representatives will be present. Whether any agreement can be reached regarding restriction on a world scale in accordance with Mr Kessler's plan is doubtful, but no doubt an opportunity will be taken to arrive at an agreement with the Russian and Roumanian producers regarding a quota of the export trade in the various markets. A report of the negotiations has already brought about a recovery in the oil share market.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies: Union Bank of Scotland, London and Lancashire Insurance, Scottish Union and National Insurance, Licenses and General Insurance, Equitable Life Assurance Society, Provident and Century Life Office, Anglo-American Debenture Corporation, Calcutta Tramways, and Thos. Cook and Company. At the annual meeting of the London and Lancashire Insurance Company Mr F. W. Pascoe Rutter referred to the burdens under which the country was suffering. When it was considered that our aggregate taxation amounted to no less than £16 7s. 1d. per head (50 per cent. more than that of France and 100 per cent. more than that of any other country), it must be clear that its prolonged continuance would be an arithmetical impossiblity. Presiding at the annual meeting of the Scottish Union and National Insurance Company, Mr G. A. Connor pointed out that a very staisfactory feature of the balance sheet was that they had not found it necessary to provide for any depreciation in the value of the assets, any decrease in the market value of the company's sterling assets having been made good by the increase in sterling values of the company's holdings of American and Canadian dollar investments. At the annual meeting of the Anglo-American Debenture Corporation Mr R. S. Guinness said the fall in values during the past year had been heaviest in their United States holdings, which, however, represented only about 8½ per cent. of the total investments. The depreciation of their American securities was no less than 58½ per cent., against 12 per cent. for quotations in this country.

CAPITAL ISSUES.

Apart from the issue of Three per Cent. Treasury Bonds, which is dealt with on earlier pages, the week's new capital oeffrs were, with one exception, of an industrial or public utility character. The exception was the offer by the *Hull Corporation* of £1,000,000 4½ per Cent. Stock at a premium of ½ per cent. This was a trustee issue by a progressive borough with an outstanding debt representing about seven times the rateable value, of which two-thirds was in respect of productive undertakings. The *Scottish Power Company, Limited*, issued 600,000

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6 per Cent. £1 Cumulative Preference shares at a premium of 3s. to repay a temporary bank loan and to finance expenditure on the Grampian Hydro Electric Works and other developments. The company is destined to play a leading part in the exploitation of Scotland's electric power resources in the future, and the shares are a promising and well-covered investment. The *Metal Box Company*, which issued Mortgage Debenture stock and Preference shares, is the head of a group which now supplies over half the British output of plain and decorated tin boxes and about 90 per cent. of the cans purchased by fruit and vegetable canners in Great Britain. Results have been somewhat affected by the current depression, but the company's tactical position should ensure it an adequate return in an industry with wide potentialities of future development. The cover for the debenture stock is satisfactory without being generous, while the Preference shares have a moderate margin of earnings. *Cadena Cafes*, which, since its inception of business at Bristol in 1894 has built up an important business with twenty-two branches in the South of England, has shown a steady rise in earnings, approximately proportionate to its increases in capital, during recent years, and has been only slightly affected by trade depression. The company has no debentures. The week's operations also included the preliminaries for placing £1,000,000 of *Wolverhampton Corporation* 4½ per Cent. Stock.

ISSUES OF THE WEEK.

By Prospectus or Offer for Sale.

Total recorded, January 1 to April 23, 1932, excluding conversions, £29,262,780.
Total recorded, January 1 to April 23, 1932, including conversions, £157,897,465.

National Savings Certificates.
Net receipts, week ended April 30, 1932, £150,000.
Total receipts, April 1, 1932, to April 30, 1932, *Dr.* £900,000.

To the Public.	Nominal Capital. £	Conversions or Repayments. £	New Money Cash Subscription. £	First Payment. £	Further Liability. £
3% Treasury Bonds at £97 16s. 1d. 97%. Red. at par by Annual Drawings commencing April 15th, 1933	110,000,000	...	107,589,166	11,000,000	96,589,166
Hull Corporation 4¼% red. stk., 1952-72, £1,000,000 at 100¼%	1,000,000	...	1,005,000	50,000	955,000
Metal Box Co., Ltd., 200,000 7% cum. pref. £1 at 21s.	200,000	...	210,000	25,000	185,000
£600,000 5½% 1st mort. deb. stk. at 96%	600,000	...	576,000	30,000	546,000
Scottish Power Co., Ltd., 600,000 6% cum. pref. £1 at 23s.	600,000	...	690,000	60,000	630,000
Cadena Cafes, 50,000 ord. £1 at £2	50,000	...	100,000	25,000	75,000
Total offered to the public, week ended May 7, 1932	112,450,000	...	110,170,166	11,190,000	98,980,166
To Shareholders only—					
County of London Electric Supply, 896,337 new ord. shares £1 at 38s. 6d.	896,337	...	1,725,433	224,084	1,501,349
Harpenden (Selangor) Rubber, £13,222 8% deb. stk. at par	13,222	...	13,222	13,222	...
Total offered to shareholders only, week ended May 7, 1932	909,559	...	1,738,655	237,306	1,501,349

Total Offered for Subscription—

Jan. 1 to date—	Including Conversions. £	Excluding Conversions. £
1932	†269,956,286	141,321,601†
1931	66,212,626	56,542,677
1930	195,107,496	134,507,472
1929	155,213,838	141,634,618
1928	...	194,583,872
1927	...	175,057,451
1926	...	83,638,688
1925	...	56,804,718

Total Offered for Subscription—

Whole year—	Including Conversions. £	Excluding Conversions £
1931	114,290,666	102,044,291
1930	454,888,784	267,800,700
1929	488,764,940	285,239,400
1928	693,100,056	369,058,073
1927	...	355,165,970
1926	...	230,782,600
1925	...	232,214,500
1924	...	209,326,101

† Includes £107,589,166, the whole amount of accepted tenders for 3% Treasury Bonds.

Nature of Borrowing.

January 1 to date—	Debentures, Bonds, &c. £	Preference Stocks and Shares. £	Ordinary Stocks and Shares. £	Total. £
1932	28,392,144	2,876,250	2,464,041	33,732,435
1931	46,091,074	747,786	9,793,817	56,542,677
1930	107,828,644	11,450,697	15,228,131	134,507,472
Whole year—				
1931	74,835,599	6,911,859	20,296,833	102,044,291
1930	227,658,500	15,548,800	24,593,300	267,800,600
1929	137,670,300	31,543,400	116,025,700	285,239,400
1928	218,817,900	45,062,600	111,177,600	369,058,100
1927	228,958,000	36,836,600	90,381,400	355,156,000
1926	145,180,000	38,383,300	46,209,500	230,782,600

By Stock Exchange Introduction.

	Amount of Capital Introduced. £	Prices at which Dealings Began. £	Total Cash Involved. £
Amount previously recorded	4,201,250	...	4,408,423
Total, week ended May 7, 1932	Nil	...	Nil
Total to date, 1932	4,201,250	...	4,408,423
Total to date, 1931	3,930,878	...	4,255,632

Public Offers.

Three per Cent. Treasury Bonds.—Issue of 3 per cent. Treasury bonds by tender at a minimum price of £97 16s. per cent. The bonds will be redeemable at par by means of annual drawings of not less than 10 per cent. Tenders must be for sums of £10,000 or multiples thereof.

Hull Corporation 4¼ per Cent. Redeemable Stock, 1952-72. Issue of £1,000,000 stock at £100¼ per cent. Trustees are authorised to invest in this issue. Unless previously cancelled by purchase or agreement, the stock will be repaid by the corporation at par on July 1, 1972, but the corporation reserve the right to redeem the stock at par on or after July 1, 1952, on three months' notice. The rateable value of the city is £1,593,061, and a rate of one penny in the pound will produce £6,175. The loan is required to discharge expenditure in connection with improvements.

Scottish Power Company.—Issue of 600,000 6 per cent. cumulative preference shares of £1 each, at 23s. per share. The company was incorporated in 1909, and owns the entire issued capital of a number of Scottish companies. The authorised areas of supply of the operating companies cover approximately 5,900 square miles. The proceeds of the issue will be utilised in the repayment of a temporary bank loan, towards current expenditure on the Grampian company's hydro-electric works, and towards further development expenditure. The profits of the operating companies for the past three years, before depreciation, were £213,218, £271,000 and £332,605 respectively. Net profits of Scottish Power, before charging interest on loans, were respectively £180,610, £196,376 and £235,671.

Metal Box Company.—Issue of £600,000 5½ per cent. first mortgage debenture stock at £96 per cent. and 200,000 7 per cent. cumulative preference shares of £1 at 21s. per share. The company was founded as a private company in 1921, and after acquiring a controlling interest in a number of old established businesses, became a public company in 1930. The company manufactures plain and decorated tins and cans for fruit, vegetables and other foodstuffs, supplying over 90 per cent. of the cans purchased by fruit and vegetable canners in this country. Certified net profits, before interest and income tax, were as follows: 1926–7, £211,825; 1927–8, £212,413; 1928–9, £236,896; 1929–30, £235,217; 1930–31, £158,409; six months to September 30, 1931, £83,795.

Cadena Cafés.—Issue of 50,000 ordinary shares of £1, at £2 per share. The company was incorporated in 1894 and carries on business at twenty-two addresses in various towns in the South of England. Certified net profits, after all deductions, amounted to £35,913 in 1928–9, £45,637 in 1929–30, and £41,131 in 1930–31 (53 weeks). Dividends of 20 per cent. on the ordinary shares have been paid for the past seven years.

Luton Water Company.—Sale by tender of such amount of consolidated ordinary stock as will realise a net sum of £34,828 19s. 5d., to bear a maximum dividend of 4 per cent. The company was incorporated in 1865, and supplies an estimated population of about 73,000. Net revenue for the year to December 31st last, after debenture interest, totalled £10,884. The issued capital, including the present issue, amounts to £242,500.

Mid-Southern District Utility Company.—Sale by tender of £100,000 4 per cent. consolidated preference stock, minimum price £75 per £100 stock. The company is the statutory supplier of gas, water and electricity in and around Aldershot. The loan is required for the purpose of further widening the scope of the company's activities. Net revenue of the company for the year ended December 31st last was £67,201, of which interest on loan capital absorbed £17,001, leaving £50,338 to cover dividends on preference stocks which, including the present issue, amount to about £32,746.

Lowestoft Water and Gas.—Offer for sale by tender of £60,000 5 per cent. perpetual debenture stock, minimum price par. Net revenue for the year ended December 20th last was £27,196, after depreciation, covering interest on the loan capital, including the present issue, nearly four times.

Province of Buenos Aires 3–3½ per cent. Loan, 1908-4.—Tenders are invited for amortisation on July 1, 1932, of bonds of this loan to the aggregate nominal value of £46,900.

Stock Exchange "Introductions."

Wolverhampton Corporation.—Particulars of an issue of £1,000,000 4½ per cent. redeemable stock, 1962-92. The proceeds of the issue will be applied to borough improvement schemes. Trustees are authorised to invest in this stock. The stock will be redeemed at par on April 1, 1962, but the corporation will have the option of redeeming at par on or after April 1, 1952, on three months' notice. A rate of one penny in the pound produces £2,860. The whole of the issue has been sold to Messrs. Cohen Laming Hearn at 99½ per cent.

COMPANY MEETINGS, &c.

THE LONDON AND LANCASHIRE INSURANCE COMPANY, LIMITED.

CONDITIONS AT HOME AND ABROAD.

MR F. W. PASCOE RUTTER'S INTERESTING REVIEW.

The seventieth ordinary general meeting of the London and Lancashire Insurance Company, Limited, was held, on the 4th instant, at the company's offices, Chancery Lane, London.

Mr F. W. Pascoe Rutter, Governor and Chairman, presided over a full attendance of shareholders.

The notice convening the meeting was read by the Secretary, Mr Thomas Wallas.

The Governor, in proposing the adoption of the report and accounts, said: The past twelve months has been the most disturbing of any year which we can remember.

If the troubles under which the world is labouring have been occasioned by the nations themselves in their rivalries and jealousies, they can only be cured by a frank recognition of the facts, and by a generous disposition to contribute to the solution.

The distrust created has led nation after nation to close its doors, and to think only of itself. And from this vogue of insular nationalism, engendered by peace idealism, we have not been immune. We have been driven to put up a shield of protection. Tariffs have been wisely adopted, partly as an expedient to obtain revenue, and partly as a weapon of defence against the pronounced tariff systems of other countries. But, tariffs are a barrier to international trading, and, like the race in armaments twenty years ago, must be futile if everybody can play the same game to an unlimited degree. The salutary perturbation, therefore, of other countries, because of our Government's action, has been its best justification.

For ourselves, we cannot ever forget that we are not a self-contained country; that our revival and even our survival must depend upon our ability, with an open door and a free hand, to exploit and trade with the uttermost nations of the earth. For it is this freedom and enterprise that made Great Britain the country which it has been, and which we all hope it will be again.

OUR ADVANTAGES.

Through all this uncertainty and confusion, there emerge three things which have sustained us through the great crisis, and which have blazoned to the world that, with all our debts, and all our anxieties, we are still sane, and masters in our own house.

And the most important of these things was the great awakening, the realisation by the country of what had been in the minds of many for years before, namely, the dangerous precipice to which we had been trending. Then came the National Government, which it is to be hoped will remain a comprehensive and united body—at any rate, until we see daylight.

And the third cause for satisfaction with the happenings of the past twelve months was the great and spontaneous vote of the people, when they understood the gravity of our position, and when they saw that heroic treatment was necessary for a case that had become so critical.

Therefore, we have much to be thankful for. We have stemmed a dangerous tide. We have balanced our Budget. We have restored confidence in the country, and extorted the admiration of other countries.

So far so good. But, for anybody to think that we have thus regained prosperity, or that we have grounds for feeling content, would be a grave fallacy.

OUR BURDENS.

First, we have our external debts, complicated by the reverberating and, so far, insoluble, problem of reparations. However this problem may be settled, we know that at present what we owe is definite, and has been increased by our going off the Gold Standard; and that which is owing to us has already been whittled down, and some of it never may be paid to us at all.

Still, if all reparations, as well as war debts, were being paid and were fully established, we should probably be the worst off in actual figures. What we should gain, as the whole World would gain, by the settlement of this question which hangs over Europe like a pall, is another matter.

Secondly, we must remember that we have our internal debt of £7,800,000,000, amounting to £186 per head, and bear in mind that that capita comprises not only working men and workless men, but women and children. The service of that debt may, by schemes of conversion, be reduced, but the saving in interest would come out of the pockets of the people. Whilst, therefore, the very conversion of itself would enhance the revival of confidence in our ability to pay our way, the only pecuniary benefit to the people would be by the Government correspondingly reducing direct taxation.

The enormous debt itself cannot really be reduced except by substantial annual contributions to the sinking fund, that is to say, out of the country's profit and loss account.

Nevertheless, any satisfactory conversion scheme must help the appearance of our Budget, and further stimulate the confidence of our own people and of those abroad.

Finally, we have a rate of taxation which is notorious—a dead-weight upon the efforts of industry to struggle on to a plane of even decent solvency. When you consider that our aggregate taxation amounts to no less than £16 7s. 1d. per head; that this is 60 per cent. more than that of France, and that it is quite 100 per cent. more than that of any other country on the face of the Globe, it must be clear that its prolonged continuance, if our country is to survive, is an arithmetical impossibility.

As I have ventured to indicate before, our invisible exports, upon which, as a world-wide trading country, so much of our success in the past has depended, are diminished, and are still diminishing. In 1929 they amounted to £484,000,000; in 1930 to £414,000,000; in 1931 to £301,000,000; and in 1932 they are bound to be still less. If then we are to reach the revival of prosperity for which we have so long been yearning, it is obviously essential that we must get down to fundamentals, which means the question of wages, or hours, or both, as the Trades Union Council must by this time have surely realized. Only by dealing with this question courageously may we feel assured of that impetus to our internal trade which in its turn should lead to an increase in our direct exports, the foundation of any trading country's livelihood. Already there are evidences of some tentative revival, especially in the stricken districts of Lancashire and Yorkshire, and we must fervently hope that the measure of tariff protection which has been enacted will prove more than a mere help to our revenue, and, indeed, a real benefit to our industries and exports.

ECONOMY.

But beyond this question of the stimulus to our internal trade, there is the further pressing need for economy if the staggering item in our Budget of £330,210,000 is to be successfully reduced. Just think of it. That that sum for Civil Services (that omnibus item which covers so much questionable expenditure) is nearly twice the entire total expenditure of the country's Government only twenty years ago. Even the year before the War, our aggregate budgeted expenditure was no more than £195,684,000.

Political economy is a phrase which seems to have lost its meaning. But there is no doubt about the simple word economy, which, having regard to our prodigal expenditure on social services, our enormous departments, and our swollen bureaucracy, is still crying out for further adjustment. We cannot and must not forget that so much of our present disease is due to the post-war extravagance of governments, municipalities and individuals, so that spending became not merely a habit, but a fashion. Much more, therefore, has to be done in this direction if we are to reach the goal of true solvency, and be able to reduce our unparalleled taxation, which is so grinding the faces of rich and poor alike, that the one is becoming unrecognisable from the other.

Our national account has been upset first and foremost by unwarranted wholesale extravagance—it can only be soundly rectified by determined wholesale economy.

EFFECT UPON INSURANCE BUSINESS.

Almost every event which happens in any country—whether political or economic—affects us somehow. Exchanges alone in their violent oscillations have been a serious factor, involving more intricate calculations than in any year which I can remember. But, through it all, we have had buoying us up the welcome fact that, by transacting as we do, such a business in practically every

quarter of the globe, a reverse in one direction is frequently offset by an advantage in another. The extraordinary thing is that, with conditions so dislocated and depression everywhere, we should still come out, not only on the right side, but with an account which in almost every feature must have given you considerable gratification.

The reduction of stocks and their market values have been aggravated by the further drop in the exchanges of Australia, New Zealand, Brazil, and Uruguay, following upon the 1930 attrition in Spain, Argentina and China.

On the other hand, we have the paradox of South Africa where I spent a couple of weeks in March. For, there, the adherence to the Gold Standard has undoubtedly largely influenced the serious decadence in trade—both exports and imports—of which there is evidence on all hands.

FEATURES OF YEAR'S RESULTS.

Our fire premiums for the year amounted to £3,040,001, or a reduction of £183,832, as compared with the previous year. The profit amounted to £345,319, or 11·3 per cent., against 10·0 per cent. in 1930.

Our accident business, with premiums of £2,196,863, showed a falling-off in volume of £161,479, and, with a slightly accentuated expense ratio, the profit was £77,766, or 3·5 per cent., against 3·6 per cent. in the previous year.

Accident business abroad has proved, as you will quite understand, very difficult in various countries, and, whilst at home, we have done quite well, we were not assisted by any additional profits accruing from the new Road Act, but rather the contrary, as we have found by experience that many of the cars and motor cycles which had not been insured were in many cases, from the expert view of the underwriter, really uninsurable.

Our marine business has again been not only satisfactory, but highly satisfactory. Had it not been for our abandonment of the gold standard in September last, there would have been an undoubted fall in our premium income, but the immediate, and continued, greater value of the dollar meant a corresponding increase in our marine premiums in the United States, and, of course, a corresponding increase in our liabilities, the main effect of which has yet to be encountered.

This dollar appreciation, therefore, solely accounts for the fact that our marine premium income for the year, at £1,296,045, showed a slight increase over the previous year. The loss experience was, fortunately, quite good, but there is an increase in the expenses of nearly 2 per cent., the whole of which may be put down to foreign taxation.

The net result is a profit of £200,558, or 15·5 per cent., against 14·7 per cent. in 1930. It will again be pleasing to you, as it is to me, to know that this profit has been derived from both our companies—the "Marine" and the "Standard," and we are continually indebted to Mr Darby and Mr Barnes for the success accruing from their judgment and work.

Thus we come to the total premium income of £6,532,909, which is a drop of £317,782, but still, less than the reduction in the previous year.

The total outcome of all these underwriting operations, after crediting, of course, the 40 per cent. reserve on the reduction in income, is a profit of £623,643, or 9·5 per cent., against 8·7 per cent. last year.

From this you will require to deduct British income tax belonging to 1931–32, namely, £157,916, which leaves a net surplus of £465,727, just £30,000 better than in 1930.

Our life business, conducted, as usual, through the medium of the "Law Union and Rock," has proved satisfactory.

Interest from investments has, after deducting the interest which we have to pay on outstanding debenture stock, yielded £502,442. The reduction is mainly due to increased income tax.

The total surplus for the year, therefore, after including the small amount from the fixed term account, and the life profit of £32,184, and after making all necessary deductions, was £1,001,855.

The dividend has been maintained at the handsome figure of 20s. per share, less income tax, to which it was raised last year.

INVESTMENT OF FUNDS.

The problem of the wise investment of your funds has been greatly accentuated during the past 12 months. For you will bear in mind that the five years ending 1929 were precisely those years when the whole country, and the whole world, semed to have forgotten that there ever was a war, and came to the conclusion that the temporary phase of pseudo-prosperity was real and would last.

Of course, it was nothing of the kind, as 1931 rapidly revealed. We found ourselves at December 31st with a position where the valuation of our investments had to be made at almost the very bottom of the market. Hence, we have written off in the profit and loss account, the sum of £240,000 to cover the depreciation in our Stock Exchange investments as they stood at the end of the year.

Since then, there has been a substantial recovery, especially in "gilt-edged" securities, which predominate amongst our investments. And, as a matter of fact, if our valuation had had to be made at April 30, 1932, instead of December 31, 1931, there would have been some appreciation, which would, therefore, not have occasioned any special treatment.

It will probably be welcome to you to know that, of all our Stock Exchange investments comprised in funds belonging to the shareholders, the percentage of our holding in ordinary stocks does not at the present moment exceed 1½ per cent.

That is practical evidence of the conservatism which has guided your directors during the difficult times through which we have been passing.

THE UNITED STATES.

We operate in the United States, not only in our own name, but through the intermediary of four subsidiary companies. The requirements of the Federal Government, and of many individual States, are exacting, and thus we have been required to deposit and otherwise invest in the country a very large amount, sufficient to more than provide for all our probable liabilities.

Hence, when we come to a period of such grave disturbance as the United States has been encountering during the past three years, one is necessarily exercised by the position and the outlook. For two years past, although our loss is nominal, we have made no money in the United States from our underwriting, and there is no indication of improvement in the experience this year. This will not at all surprise you, as it would be difficult to find any company which had been making money there during this period of stress and depression.

UNITED STATES INVESTMENT POLICY.

The investment policy pursued by American companies has been much more elastic than ours. Many of them anticipated continuous unchecked financial prosperity by putting a very large proportion of their holdings in ordinary and preferred stocks—investments which are most liable to fluctuation.

You will, therefore, be relieved to know that, even in prosperous times, we have consistently pursued a policy of caution. Consequently, we have not suffered through investments in ordinary stocks during the anxious industrial period through which the United States has been passing.

The whole of the depreciation which we are writing off, and even more, does come from the United States, and applies almost exclusively to what were regarded as "gilt-edged" securities. At the present moment, whilst the figures of our total investments are quite satisfactory, America shows a not unimportant depreciation.

UNITED STATES MORAL HAZARD.

Before I leave this transatlantic question, I might refer to a psychological difference in making a comparison between this country and the United States, a difference which has an important bearing upon the results of our operations under what seem to be almost identical conditions. Both the United States and Great Britain have been suffering, and yet, on the one hand, the insurance experience in this country, that is to say, the incidence of fire loss, has been quite satisfactory. In the United States it has been the exact reverse—even private dwelling-houses, especially when mortgaged, suffering from the prevalent mortality. The disparity between the loss experience in the United States and here at home, during precisely similar times of difficulty, is a testimony to the commercial honesty of our people.

Most of us have been surprised at the intensity and length of America's ordeal of depression. But anybody who knows America, with its vast possibilities, its resilience and its comparatively small debt, must feel convinced that some day—perhaps before long—they will experience a sudden spectacular recovery, but with violent fluctuations and probable temporary disappointments before they can again settle down into their stride.

BANNER OF SOUND TRADING.

Through all this disturbance the business of insurance, &c., in its multifarious phases, has managed to continue to hold aloft the banner of sound and, in some cases, even prosperous, trading. If our accounts are any criterion, it is the one section of our invisible exports which has stood up against adverse conditions. And, whilst I am not an optimist as to the prospects of the next few years, believing, as I do, that the world is barely on the threshold of the solution which must eventually come about, I am sanguine that we shall hold our own and be able to still set an example of what can be done by British enterprise and by sound finance.

The Marquis of Reading (Deputy-Chairman) seconded the motion, which was carried unanimously.

THE UNION BANK OF SCOTLAND, LIMITED.

GRATIFYING RESULTS—STRONG POSITION.

The annual meeting of the shareholders of this bank was held, on the 4th instant, in Glasgow, the Right Honourable Viscount Novar, K.T. (chairman of the board), presiding.

In submitting the directors' report, the Chairman referred to the eventful nature of the twelve months which had elapsed since their last meeting and reviewed the circumstances which resulted in the Bank of England's decision in September last to suspend gold payments. Some of them had doubted the wisdom of the return to the gold standard in 1925 without anything being done to rectify the disparity between wages in the sheltered and unsheltered trades, thus making it more difficult than ever to compete in the world's markets, but it was a matter for regret that they had been forced reluctantly to lose for the time being their anchorage to gold. Much had been said recently about the tremendous amount of harm caused by maldistribution of gold and the wrong use to which it had been put by certain countries. At a time when there were many loudly proclaimed but extremely doubtful cures, it had to be remembered that the gold standard was all right so long as the rules of the game were observed, as had generally been the case prior to the war. Gold had then been used to settle international differences only and had not been used as a commodity to pay debts. Until that comparatively simple position was arrived at and accepted universally once more, it mattered but little what standard was adopted or whether currency and credit were "managed" or otherwise, as real world recovery would be well-nigh impossible.

The one good thing about the crisis of 1931 was that they had been forced before it was too late—but only when on the brink of disaster—to commence to put their house in order. It was a matter for congratulation that they had now a strong National Government divorced from party politics, but it was regrettable that so little had been done in the way of economy. While the May report was a most valuable document and had helped greatly in bringing the nation to its senses, it did not pretend to be the last word, and much more required to be done before we were in a really sound financial position. The noteworthy alteration in our fiscal system was also referred to, and the hope was expressed that this would result ultimately in freer trading conditions all round. It was now over 13 years since the Great War ended, and a weary world was waited for the political leaders to do now what must be done sooner or later; that is, make a final and reasonable settlement of reparations and war debts.

YEAR'S RESULTS.

Dealing with the affairs of the bank, the Chairman stated that, considering the difficult times through which they had passed, they had every reason to be gratified with the results of the year and with the strong position disclosed in the balance sheet. The events he had narrated briefly had been accompanied by abnormal changes in money rates, and they would appreciate how this added to the difficulties of management. Quite contrary to ordinary public opinion, high rates were not welcomed, nor were they profitable to banks such as theirs, and their profit at about £330,000 showed a moderate decline of £24,000. All bad and doubtful debts had been fully provided for, as usual, and the amount appropriated from inner reserves to complete that process was a very moderate one and appreciably less than the amount—£100,000—which, in view of the extremely uncertain outlook, they had thought it prudent to place to contingencies. There was not much change in the balance sheet figures, deposits showing a decrease of £600,000. Owing to depressed trading conditions and normal liquidation by their customers, loans and advances were lower by £600,000, but they had nevertheless continued to support liberally the various industries with which their clients were connected, and they had ample resources available for suitable financing when [illegible] more propitious. The extremely strong position of the bank was illustrated by the fact that the total of cash on hand, money at call and Treasury bills, close on £10,000,000, represented 37 per cent. of their liabilities to the public, and, if their holding in British Government securities were included, the percentage was over 50. During the year the bank had opened a number of branches, and in the course of a few weeks another branch in London would be opened in Kensington High Street, where an excellent site had been obtained.

The report was adopted and a dividend at the rate of 18 per annum declared.

Referring to the valuable services rendered by His Grace the Duke of Atholl, K.T., as chairman of the bank since 1921 and to which they had learned of his desire to be relieved of that office, Sir Ludovic J. Grant, Bart., moved that the Right Honourable Viscount Novar, K.T., be elected chairman of the bank, and this was unanimously agreed to.

FRIENDS' PROVIDENT AND CENTURY LIFE OFFICE.

CONDITIONS IN PAST YEAR.

MR HAROLD J. MORLAND'S REVIEW.

The annual general meeting of the Friends' Provident and Century Life Office was held, on the 4th instant, at the London head office, 7, Leadenhall Street, London, E.C.

Mr Harold J. Morland, M.A., J.P., F.C.A. (the chairman) presided, and, in the course of his address, said:—Fellow members,—The life assurances effected during 1931 were mainly taken out for the primary purposes of protection for dependants and thrift. There was a falling off in single premium assurances, and also in the larger policies issued in connection with financial transactions, to an extent which more than accounted for the decrease of £325,778 in the new business as compared with 1930. The total of £1,520,950 secured was larger than that of any year prior to 1928.

The mortality profit has been well maintained, and was, in fact, larger than in any previous year except 1930.

LIFE REVENUE ACCOUNT.

During the past year single premiums were only £17,148, which was £172,918 less than for 1930. The premium income derived from annual premiums increased by nearly £20,000, a satisfactory record, especially in view of the wastage of premium income arising out of the larger numbers of policies now being surrendered. This is one of the ways in which a life office is affected by a serious trade depression, and it may be of interest to give the following particulars:—

Year.	Number of surrenders.	Amount of cash paid.	Sums assured surrendered.
1929 ...	424 ...	£41,110 ...	£195,600
1930 ...	491 ...	80,968 ...	255,900
1931 ...	585 ...	102,958 ...	370,360

INVESTMENTS.

If you will turn to the balance sheet you will see that the invested assets of over £7,750,000 have been placed in a variety of classes of holdings. The board has not restricted its investments to gilt-edged securities, but has deemed it justifiable to venture outside that category to the extent of the purchase of a certain proportion of debentures, preference, and even ordinary stocks of well-founded commercial and industrial undertakings. Realising the possibilities of considerable fluctuation in the quoted values of marketable securities, it has been the board's policy to place considerable sums in carefully selected mortgages in the United Kingdom and also in Canada.

The Stock Exchange securities showed almost without exception a considerable depreciation. Even British Government stocks were at lower prices than for many years past. On balance, the depreciation amounted to £386,024, which was 5.3 per cent. of the funds.

INTERIM BONUS RATE.

At the end of 1929 the bonus declared was on a higher scale than at any previous declaration since the present premium rates were instituted.

In our case there is no necessity to have a valuation prior to the end of 1934, which will be five years from the previous valuation at the close of 1929.

After careful consideration, and as a measure of precaution, the directors have made the decisions stated in the report as follows:—

(1) To defer the next actuarial valuation until December 31, 1934—that is, five years from the date of the last valuation.

(2) In respect of policies becoming claims during the year 1932 to declare the following interim bonus: £2 2s. per cent. per annum compound in respect of each year's premium paid for the years 1930 and 1931, but no further bonus in respect of any premium which may be paid during 1932.

After the close of this year the directors will decide, in the light of the conditions then prevailing, the rate of interim bonus to be paid during 1933.

CENTURY ACCOUNTS.

The accounts of the Century Insurance Company, Limited, are, as usual, appended to the accounts of the office.

The fire premium income was reduced by about £87,000 (nearly 20 per cent.), and amounted to £275,000. The reduction was almost wholly abroad, the home income being fully maintained.

The year 1931 was one of the most critical years in the experience of any of us, but assurance offices have emerged comparatively little affected. No body of co-operative investors is so solidly placed and has emerged from the test so successfully as the life office.

The revenue accounts and balance sheet and report of the directors were unanimously adopted.

THE EQUITABLE LIFE ASSURANCE SOCIETY.

REMARKABLE BUSINESS FIGURES.

The one hundred and seventieth annual general meeting of the Equitable Life Assurance Society was held, on the 4th instant, at the society's house, 19, Coleman Street, London.

Mr H. L. M. Tritton (the president) said that he was again able to report a satisfactory increase in the business transacted and to refer with pride to the remarkable results accruing to policyholders. The directors and the actuary had no hesitation in giving a certificate that in their belief the assets set forth in the balance sheet were in the aggregate fully of the value stated therein There were, moreover, other margins in the accounts in connection with various items, and he hoped and believed that the accounts of the Old Equitable would never be without substantial margins.

New business had reached a figure of £1,297,300, an increase of £322,750 on 1930, a figure of new sums assured only once exceeded by the Equitable—namely, in 1810—when the new sums assured were just over £1,500,000. The premiums last year had been inflated by an exceptional amount of single premiums, but, even without that, the premium revenue was over £500,000, and he would emphasise the fact that that premium income was obtained without the payment of a single penny in commission—a material saving to policyholders in the "Old Equitable."

The statement of claims by death showed how extremely satisfactory life assurance with the Equitable was, even if a policyholder died in old age after paying premiums for many years. On the average each £1,000 of sum assured (payable only at death) during 1931 was increased to £2,443—a result of which they could be proud. There was one claim included in the list amounting to over £13,500, of which the original sum assured was £4,000. He would ask—was there any other office in the world that would have paid £13,500 for an original sum assured of £4,000? The endowment assurances should be just as much a source of pride to the members of the society. The average rate of bonus had been £2 2s. per cent. per annum of the sum assured—a wonderful rate, remembering that endowment assurances now maturing were effected before the war, and that during the time they had been in force the society had suffered depreciation and taxation due to the war.

The report was unanimously adopted.

THE LICENSES AND GENERAL INSURANCE COMPANY, LIMITED.

SUCCESSFUL RESULTS—GOOD DIVIDEND RECORD.

The forty-second ordinary general meeting of the Licenses and General Insurance Company, Ltd., was held, on the 4th instant, at the offices of the Company, Moorgate, London, Mr A. W. Ruggles-Brise, J.P., D.L. (Chairman), presiding.

The Chairman said that while 1931 was a difficult year to all engaged in commerce or finance, they had this comfort, that it presented no tragedies for the "Licenses," but, indeed, some items of comfort and satisfaction. The direct home income of the company did not suffer, despite the bad times, but was slightly enhanced. The profit for the year in the fire department amounted to £5,074, and was transferred to profit and loss. In view of the interest which continued to be centred on the United States of America, that land of big figures, he thought it well to reiterate that they still continued to hold aloof from the American market and saw no good reason to alter that decision. An almost unique position. With regard to management expenses, the policy of retrenchment had been continued—spending reduced by nearly £6,000—and the fact that the ratio of working expenses throughout, including commission, amounted to no more than 43·5 per cent. on the reduced income was satisfactory and compared favourably with the experience of other offices.

The total of assets showed a reduction on the previous year, and definitely coincided with the reduction of liability, but, as a rough and ready test of value, the ratio of total assets to premium income in 1930 was 141·9 per cent., and for this year it stood at 146·3 per cent. It was interesting, he said, to note that the company commenced paying a dividend as far back as 1896, and that the total amount of dividend payments since that time slightly exceeded a quarter of a million pounds. On an original issued capital of £70,000, this surely created a record of which they all might well be proud.

In conclusion, the Chairman said their direct income since the year closed showed consistently the maintenance of the business. Indeed, one might almost venture to express the presence of an improvement, the first three months' figures being quite satisfactory.

The report was unanimously adopted, and a final dividend of 14 per cent., less tax, making 20 per cent., less tax, for the year was declared.

ANGLO-AMERICAN DEBENTURE CORPORATION, LIMITED.

THE CRISIS AND ITS SOLUTION.

The forty-second ordinary general meeting of the Anglo-American Debenture Corporation, Limited, was held, on the 4th instant, at Winchester House, Old Broad Street, London.

Mr Richard S. Guinness (the chairman) said that he thought shareholders would not be dissatisfied with the results now submitted. The revenue from investments showed a fall of a little over £17,000, or about 10 per cent., but nevertheless the income received of £155,392 showed a return of 6¼ per cent. upon the book cost of the investments. Last year they paid a dividend of 15 per cent., placed £25,000 to reserve, and increased the carry-forward by nearly £2,200. This year it would have been possible to repeat that dividend, but the directors had to bear in mind not only the past results of the company but also the prospects for the coming year.

Only a few weeks ago the financial markets of the world received another shock by the disclosures of irregularities in the affairs of the Swedish Match Company and its subsidiaries, but he was glad to say that this company had no interest, and had not had for some time, in any of the companies. As might be expected, the fall in values during the past year had been heaviest in their United States holdings, which now, however, represented only about ½ per cent. of the total investments. The depreciation was no less than 58½ per cent., but many of the prices quoted for American securities seemed to be quite out of relation even with the very depressed conditions ruling in that country. The same applied to a smaller extent to the quotations in this country, where, however, the fall was only 12 per cent. With any spark of recovery the well-seasoned list of investments which they held should substantially improve both in assets value and in income production, but, until the world's lost or misplaced capital had been readjusted—whether it be Government debts, inflated industrial or real estate capitalisation, or paper finance—there was no hope of recovery. The world was calling out for such readjustments, not by conjuring tricks of currency or tariff manipulations, but by world-wide reconstructions—by the methods, in fact, used by our fathers for solving financial and political crises.

The report was unanimously adopted.

CALCUTTA TRAMWAYS COMPANY, LIMITED.

SUCCESS OF NEW ROLLING STOCK.

The ordinary general meeting of the Calcutta Tramways Company, Limited, was held, on the 3rd instant, at 1 Queen Victoria Street, London.

Mr John G. B. Stone, the chairman, in the course of his address, said: The traffic receipts, £372,712, show a decrease of £5,948, of which £1,953 is attributable to Calcutta and £3,295 to Howrah. During the first three months of 1930 the "civil disobedience" movement had not affected operations to any great extent. It was not till April, 1930, that there was any serious falling-off in our earnings. Omnibus competition, judged by the number of vehicles licensed, was certainly as intense as during the previous year, but during the closing months the tramcars were able to attract a larger proportion of the traffic offering, due to the running of a quicker and more regular service coupled with the putting into operation in October last of the first instalment of the new rolling stock. This is shown in the distinct improvement in the number of passengers carried, the total increase being 10½ millions, or over 15 per cent. on a 5½ per cent. increased mileage.

Revenue expenditure in respect of the tramways amounted to £248,603, a decrease of £2,747, notwithstanding the increased mileage. The working profit is £127,560. Deducting the loss on motor omnibuses, £4,744, there remains £122,816, out of which there has been transferred to depreciation fund £55,000. Adding £11,727 interest and dividends received, there remains £79,543. Against this there have been debited the usual fixed charges, leaving £25,180. Adding £5,499 brought forward, there is £30,679. The directors recommend a dividend on the ordinary shares of 3½ per cent., less income tax, carrying forward £6,179.

As regards our motor omnibuses we have been able to dispose of a few at fairly reasonable prices and we have dealt with the remainder by writing off the total cost, £93,265, against the depreciation fund. The policy in dispensing with the motor omnibus services has been fully justified by the improved tramway results. This improvement continues, the total tramway receipts for the current year to date showing an increase of £3,073 compared with the combined tramway and omnibus receipts for 1931, and of £9,832 compared with the tramway receipts only for the same period.

We can only again express our confidence that with the return of normal conditions the tramways will maintain their position as the cheapest and most reliable form of transport for the city.

The report and accounts were adopted.

SCOTTISH UNION AND NATIONAL INSURANCE COMPANY.

SUCCESSFUL RESULTS IN A DIFFICULT YEAR.

ANOTHER LIFE BUSINESS RECORD.

Mr G. A. Cumer, chairman, presided at the 107th annual general meeting of the shareholders of the Scottish Union and National Insurance Company, held at Edinburgh on May 4, 1932. In moving the adoption of the report and accounts for the year 1931, he stated that, notwithstanding the disturbing conditions caused by the world-wide economic collapse, the life department of the company's business had continued to forge ahead. For the fourth year in succession all previous records have been broken. Another satisfactory feature is the reduction in claims by death of nearly £50,000, which follows a reduction of over £72,000 in the preceding year.

FIRE ACCOUNT

The fire account is much less satisfactory than we have been accustomed to in recent years. The serious fall in our income in 1931 of some £186,000 is mainly attributable to our operations in the United States of America. This has been occasioned by the great depression prevailing in that country. We cannot be forgetful, however, that up till the year 1930 we had for a long period of years a favourable experience in our American business, and we are satisfied that when normal times do return we can look forward to a repetition of good results. The total fire losses of the company, including contributions to fire brigades, show an increase of nearly £18,000. The amount transferred to the profit and loss account from the fire account is approximately £68,000. The fire insurance fund is 119 per cent. of the year's fire premiums. It is somewhat early to predict the results of the operations in the fire department for 1932, but I am pleased to say that the fire losses to date this year are considerably less than those experienced during the corresponding period of last year, this experience being largely due to a reduction in the American losses.

ACCIDENT, EMPLOYERS' LIABILITY AND MISCELLANEOUS ACCOUNTS.

The accident, employers' liability and the miscellaneous accounts together showed premiums amounting to over £255,000—an increase over the previous year of £4,000. The profits realised and transferred to the profit and loss account, although not quite up to those of the previous year, amount to the substantial sum of over £30,000.

MARINE ACCOUNT.

As regards the marine account, the premiums for last year show an increase of £4,000 over the previous year, but the losses are down by approximately £27,000. A sum of £30,000 (i.e., £10,000 more than in the previous year) was transferred to the profit and loss account.

PROFIT AND LOSS ACCOUNT.

In the profit and loss account it will be observed that £20,000 has been applied to reduce the book value of house property in the balance sheet and £50,000 has been transferred to a contingency fund. This latter item the directors considered it prudent to set up in view of the uncertainty in foreign exchanges throughout the whole world, but from time to time may be applied to other contingencies which may arise. After payment of the dividend this year, the carry-forward is fully £209,000. This sum represents more than two years' dividends at the present rate.

SATISFACTORY VALUE OF ASSETS.

It will be seen from the balance sheet that the assets exceed £15,680,000, being £36,000 more than the total assets of the previous year. A very highly satisfactory feature of the balance sheet is that we have not found it necessary to provide for any depreciation in the value of the assets. Any decrease in the market value of the company's sterling assets has been made good by the increase in the sterling values of the company's holdings of American and Canadian dollar investments.

Banking in Finland

CAPITAL AND RESERVES: Fmk. 428,000,000.
TOTAL ASSETS (31/1/32): Fmk. 2,866,061,000.

KANSALLIS-OSAKE-PANKKI
(National Joint Stock Bank)

HEAD OFFICE: HELSINKI (HELSINGFORS), FINLAND
Established 1889.

JAMES W. COOK AND COMPANY, LIMITED.

DECREASED PROFITS DUE TO DIFFICULT CONDITIONS.

YEAR'S OPERATIONS REVIEWED.

The thirty-fifth annual general meeting of James W. Cook and Company, Limited, was held, on the 29th ultimo, at 130-135, Minories, London, E.C., Mr W. J. Clarke (chairman and managing director) presiding.

The Chairman, in moving the adoption of the report and accounts, said that at the last annual meeting he was careful not to indulge in any prophecy as to the future, and he was glad that was so, for the year under review had been one of continued difficulty. The result of it was shown in their decreased net profit, and that decrease was very largely due to the universal crop shortage of one of the articles they handled, resulting in a quicker sale after the crops were harvested and with consequent heavy decrease in the rent income they were able to secure for storage.

Their lighterage department had maintained itself during the past year, but here they suffered from the heavy ratio of wages to total expenditure, which became more difficult to maintain as world conditions were making competition keener and keener.

Referring to their subsidiary companies, he said the tanker fleet of the Bulk Oil Steamship Company, Limited, had been kept fairly employed during the past year. With regard to their other subsidiary, Eastern Roadways, Limited, they were making progress and had gathered together a good business in a short space of time. Here they were pursuing the same sound method of using all available profits for writing down and strengthening their fleet of lorries, and in a few years they should be able to reap the reward of their enterprise by receiving definite benefit from their activities.

The report was unanimously adopted, and a dividend at the rate of 15 per cent. per annum for the past half-year on the ordinary shares, making 10 per cent. for the year, less income tax, was declared.

LAW UNION AND ROCK INSURANCE COMPANY, LTD.—On April 28th, Mr James Stirling, F.F.A., secretary and actuary of the Law Union and Rock Insurance Company, Ltd., retired on pension with the best wishes of his friends and colleagues. Mr Stirling joined the Scottish Union and National in 1882 and went to the Scottish Imperial in 1897 as secretary, subsequently becoming manager and actuary of that company. In 1905 he was appointed sub-manager of the Law Union and Crown, now the Law Union and Rock, and became secretary and actuary in 1920. On the retirement of Mr James Stirling, the directors of the Law Union and Rock Insurance Company, Ltd., have appointed Mr A. H. Shrewsbury, F.I.A., secretary and actuary of the company. Mr Shrewsbury, who was formerly on the head office staff of the Royal Exchange, was actuary of the British Equitable from 1925 until October, 1931, when he joined the Law Union and Rock as an assistant secretary.

Government Returns, &c.

NATIONAL ACCOUNTS.

The total ordinary revenue for the week ended April 30, 1932, amounted to £7,885,000 against ordinary expenditure of £7,954,600. After allocating £505,000 to Sinking Fund and having allowed for an increase in Exchequer Balances of £603,696, the operations for the week, as shown below, decreased the National Debt by £29,000 to £7,590,842,000:—

(000's omitted.)

	£		£
Treasury Bills	+ 3,121	Public Department Advances	— 2,750
National Savings Certificates ...	+ 150	Treasury Bonds paid off	— 300
		Issues under P.O. and Telegraph Acts	— 350
	+ 3,271		— 3,300

A complete analysis of the National Debt at March 31, 1932, was printed in the *Economist* of April 2, 1932.

REVENUE.	Total Receipts into the Exchequer			
	April 1, 1932, to April 30, 1932.	April 1, 1931, to May 2, 1931.	Week ended April 30, 1932.	Week ended May 2, 1931.
ORDINARY REVENUE.	£	£	£	£
Inland Revenue—				
Income Tax	11,936,000	15,953,000	874,000	2,753,000
Sur-Tax, including Arrears of Super-Tax	3,680,000	5,600,000	550,000	1,100,000
Estate, &c., Duties	6,010,000	6,870,000	950,000	790,000
Stamps	450,000	650,000	290,000	200,000
Excess Profits Duty and Corporation Profits Tax	...	...	...	...
Land Tax and Mineral Rights Duty	30,000	30,000	...	...
Total Inland Revenue	22,106,000	29,103,000	2,664,000	4,853,000
Customs and Excise—				
Customs	13,448,000	10,927,000	3,408,000	2,245,000
Excise	10,000,000	10,146,000	1,200,000	1,045,000
Total Customs and Excise	23,448,000	21,073,000	4,608,000	3,290,000
Motor Vehicles Duties (Exchequer Share)	475,000	742,000	7,000	233,000
Post Office (Net Receipt)	2,350,000	3,000,000	350,000	400,000
Crown Lands	190,000	140,000	190,000	...
Receipts from Sundry Loans	868,226	4,316,067	...	95,159
Miscellaneous Receipts	412,988	1,668,467	65,970	301,743
Appropriation from Rating Relief Suspense Account	...	...	...	...
Total Ordinary Revenue	49,850,214	60,042,534	7,884,970	9,172,902
SELF-BALANCING REVENUE.				
Post Office	3,200,000	3,000,000	1,350,000	1,300,000
Motor Vehicle Duties apportioned to Road Fund	2,379,000	2,029,000	239,000	...
Total Self-Balancing Revenue	5,579,000	5,029,000	1,589,000	1,300,000
Total	55,429,214	65,071,534	9,473,970	10,472,902

EXPENDITURE.	Total Issues out of the Exchequer to meet payments.			
	April 1, 1932, to April 30, 1932.	April 1, 1931, to May 2, 1931.	Week ended April 30, 1932.	Week ended May 2, 1931.
ORDINARY EXPENDITURE.	£	£	£	£
Interest and Management of National Debt	27,227,537	36,509,735	1,232,407	13,987,827
Payments to Northern Ireland Exchequer	207,143	202,464	207,143	...
Other Consolidated Fund Services	247,801	290,190	35,095	57,608
Total	27,682,481	37,002,389	1,474,646	14,045,435
Total Supply Services (excluding Post Office)	31,030,000	36,371,000	6,480,000	12,421,000
Total Ordinary Expenditure	58,712,481	73,373,389	7,954,646	26,466,435
SELF-BALANCING EXPENDITURE.				
Post Office	3,200,000	3,000,000	1,350,000	1,300,000
Road Fund	2,379,000	2,029,000	239,000	...
Total Self-Balancing Expenditure	5,579,000	5,029,000	1,589,000	1,300,000
Total Ordinary and Self-Balancing Expenditure	64,291,481	78,402,389	9,543,646	27,766,435
New Sinking Fund (1932)	2,145,318	3,601,226	505,000	515,000
Total (including New Sinking Fund)	66,436,799	82,003,615	10,048,646	28,281,435

The aggregate revenue and expenditure to April 30, 1932, is shown below :—

FINANCIAL YEAR, 1932-33, APRIL 1st to APRIL 30, 1932.

(000's omitted.)

	£		£
Expenditure	58,712	Revenue	49,850
New Sinking Fund	2,145	Decrease in balances	2,715
		Net amount borrowed	8,392
	60,857		60,857

POSITION OF THE FLOATING DEBT.

	May 2, '31.	Mar. 31, '32.	Apr. 30, '32.	Movement week ended Apr. 30, '32.
Ways and Means Advances Outstanding—	£	£	£	£
Advances by Bank of England	3,250,000	...	...	...
Advances by Public Departments	37,650,000	3,600,000	3,250,000	— 350,000
Treasury Bills outstanding	561,685,000	604,455,000	631,570,000*	+ 3,126,000
Total Floating Debt	607,335,000	611,955,000	638,820,000	+ 375,000

* Includes £7,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £40,000,000 in Treasury Bills were opened on April 29, 1932, and the total amount applied for was £71,435,000. Tenders were accepted for bills at three months, dated Monday to Friday at £99 10s. 6d., about 1l per cent., and above in full, and Saturday at £99 10s. 8d. and above in full. The amount allotted was £35,000,000.

Date.	Amount Offered.	Amount Allotted.	Rate of Discount.
1932.	£	£	£ s. d.
April 8	45,000,000	35,000,000	5 4
April 15	40,000,000	35,000,000	5 4
April 22	35,000,000	35,000,000	5 4
April 29	40,000,000	35,000,000	5 4

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.
Accidents and Illness.
Employers' Liability. Fidelity Guarantee.
Burglary. Fire. Motor Cars. Public Liability.
Inspection and Insurance of Boilers, Engines, Electrical Plant and Lifts.
Executorships and Trusteeships.
Head Office: 36-44 MOORGATE, LONDON, E.C.

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, May 4, 1932.

ISSUE DEPARTMENT.

	£		£
Notes Issued :—			
In Circulation	356,580,278	Government Debt	11,015,100
In Banking Department	39,236,063	Other Government Securities	15,434,900
		Other Securities	10,000,000
		Silver Coin	1,811,241
	395,816,341		395,816,341
		Amount of Fiduciary Issue	275,000,000
		Gold Coin and Bullion	120,816,341
			395,816,341

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	6,818,100
Rest	3,187,478	Other Securities—	
Public Deposits*	10,296,748	Discounts and Advances	811,241
Other Deposits—		Securities	32,307,822
Bankers	75,060,256		33,119,063
Other Accounts	36,669,966		
	111,730,222	Notes	99,360,000
7-Day and other Bills	1,169	Gold and Silver Coin	1,811,254
	£139,768,617		£139,768,617

* Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Accounts.

Both Departments.	Amount, May 4, 1932.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
	£	£	£
Note circulation	356,580,278	+ 3,765,889	+ 22,580,278
Public deposits	10,296,748	— 13,054,570	+ 4,296,748
Bankers' deposits	75,060,256	+ 16,776,176	+ 8,460,256
Other deposits	36,669,966	+ 1,367,603	+ 1,369,966
Seven-day bills	1,169	— 685	— 1,831
Total, outside liabilities	478,608,417	+ 8,873,513	+ 36,605,417
Capital and rest	17,740,478	+ 34,740	— 1,260
Government debt and securities	287,635,543	+ 4,012,385	+ 2,635,543
Discounts and advances	11,584,952	+ 90,135	+ 1,584,952
Other securities	71,856,809	+ 4,942,843	+ 36,856,809
Silver coin in issue department	3,811,412	+ 3,760	— 188,588
Coin and bullion (bank's reserve)	121,460,179	— 18,493	— 20,539,821
Reserve of notes and coin in banking department	39,879,901	— 3,782,381	— 18,880,901
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	32½%	— 4½%	— 19½%
(b) Gold stocks to deposits and notes ("reserve ratio")	25½%	— ½%	— 9%

(000's omitted.)

Date.	Issue Department.		Banking Department.			Gold in or out of Bank.
	Notes Issued.	Circulation.	Public Deposits.	Bankers' Deposits.	Other Deposits.	
1932.	£	£	£	£	£	£
Mar. 30	395,827	360,529	27,251	54,982	24,321	[illegible]
April 6	395,827	359,793	9,993	79,542	33,634	[illegible]
13	395,826	356,753	12,259	78,447	32,634	[illegible]
20	395,815	354,871	9,149	72,840	34,836	[illegible]
27	395,816	352,816	23,351	58,284	36,213	[illegible]
May 4	395,816	356,540	10,297	75,060	36,670	[illegible]

(000's omitted.)

Date.	Issue Department.		Both Depts.	Banking Department.			
	Govt. Debt and Securities.	Other Securities.	Gold Coin and Bullion and Reserve Ratio.	Govt. Securities.	Discounts & Advances.	Other Securities.	Reserve in the "Banking"
1932.	£	£	£	%	£	£	£
Mar. 30	251,879	19,316	121,433	34½	38,695	12,788	41,487
April 6	248,402	25,797	121,437	35½	51,111	12,184	40,929
13	234,302	36,838	121,440	35½	55,388	11,967	34,838
20	219,696	51,467	121,430	35½	57,606	11,290	41,038
27	221,002	50,195	121,477	34½	59,631	11,535	42,838
May 4	218,560	53,629	121,460	35½	59,076	11,595	39,236

ENGLISH CLEARING RETURNS (000's omitted.)

	Town.	Metropolitan.	Country.	Total.
	£	£	£	£
[illegible]	7,914,237	516,155	853,559	9,283,951
[illegible]	610,385	38,580	47,070	696,035
[illegible]	453,304	32,730	50,397	536,431
[illegible]	8,978,016	577,435	950,926	10,506,377
[illegible]	12,459,445	617,603	987,631	14,064,679
[illegible]	−3,481,429	− 40,168	− 36,695	−3,558,292
[illegible]	− 28·0%	− 6·5%	− 3·7%	− 25·3%
[illegible]	31,815,808	1,667,892	2,782,269	36,235,969
[illegible]	38,782,577	1,812,146	2,963,631	43,558,354
[illegible]	−6,966,769	− 144,254	− 211,422	−7,322,485
[illegible]	− 17·9%	− 7·9%	− 7·1%	− 17·8%

PROVINCIAL CLEARING RETURNS.

(000's omitted.)

	Week ended April 30.		Month of April.			Aggregate Totals, January 1 to April 30.	
	1931.	1932.	1931.	1932.	Inc. or Dec.	1931.	1932.
No. of working days			24	23			
	£	£	£	£	%	£	£
[illegible]	2,467	1,954	8,093	9,209	+13·7	39,861	37,493
[illegible]	1,080	906	3,518	3,525	+ 0·1	13,619	14,184
[illegible]	1,301	955	4,192	5,406	+28·9	18,655	18,662
[illegible]	4,897	4,836	...	...	...	85,739	90,799
[illegible]	789	641	3,096	3,078	− 0·5	13,142	13,103
[illegible]	887	774	3,523	3,692	+ 4·7	15,881	15,468
[illegible]	659	512	2,486	2,885	+15·5	11,615	12,389
[illegible]	5,813	5,095	21,942	24,260	+10·5	95,123	95,455
[illegible]	10,333	8,900	37,655	40,479	+ 7·4	165,046	167,926
[illegible]	1,334	1,153	4,837	5,548	+14·6	23,565	21,979
[illegible]	435	390	1,831	1,891	+ 3·2	8,411	8,110
[illegible]	688	570	2,931	3,064	+ 4·5	14,467	13,230
Total	30,579	26,685	94,114	103,037	+ 9·4	505,144	508,798

OVERSEAS BANK RETURNS

1931.—The latest return of the Bank for International Settlements appeared in the Journal of April 9; Roumania and Lithuania in April 16; National Bank of Belgium and Japan in April 23; Bulgaria and Canadian Banks in April 30.

FEDERAL RESERVE BANKS.—In $'s (000's omitted).

	May 7, 1931.	Apr. 14, 1932.	Apr. 21, 1932.	Apr. 28, 1932.	May 5, 1932.
[illegible]	3,172,290	3,018,510	3,033,730	3,014,530	2,992,420
[illegible]	180,290	498,600	504,520	531,820	505,800
[illegible]	163,670	61,810	49,560	45,670	44,520
[illegible]	896,350	965,080	1,078,130	1,191,230	1,286,880
[illegible]	943,530	1,469,910	1,486,700	1,775,740	1,842,130
[illegible]	4,941,300	5,809,360	5,813,540	5,948,110	5,603,920
[illegible]	1,540,780	2,537,070	2,544,760	2,536,570	2,561,650
[illegible]	2,417,730	2,010,900	1,978,640	2,114,420	2,147,150
[illegible]	2,472,540	2,121,980	2,131,370	2,234,280	2,237,100
[illegible]	443,230	414,580	414,580	14,660	414,310
[illegible]	4,941,300	5,809,360	5,813,540	5,948,110	5,603,920
[illegible]	35·8%	39·4%	39·2%	37·9%	38·8%

NEW YORK FEDERAL RESERVE BANK.—In $'s (000's omitted).

	May 7, 1931.	Apr. 20, 1932.	Apr. 27, 1932.	Apr. 28, 1932.	May 5, 1932.
[illegible]	1,027,380	966,630	952,780	917,730	861,870
[illegible]	88,470	122,180	107,810	104,840	104,230
[illegible]	12,570	13,570	14,380	13,900	14,440
[illegible]	160,170	464,460	496,880	583,060	658,470
[illegible]	363,410	396,570	631,980	705,680	780,110
[illegible]	1,513,010	996,180	874,390	1,000,890	1,006,780
[illegible]	57·3%	66·4%	64·8%	61·0%	56·7%

FEDERAL RESERVE MEMBER BANKS.

In $'s (000,000's omitted).

	Apr. 22, 1931.	Mar. 23, 1932.	Mar. 30, 1932.	Apr. 6, 1932.	Apr. 13, 1932.	Apr. 20, 1932.
[illegible]	16,359	12,854	12,811	12,060	11,970	11,968
[illegible]	7,216	7,149	7,143	7,113	7,068	7,150
[illegible]	11,778	10,843	10,811	10,575	10,978	11,063
[illegible]	5,656	5,639	5,639	5,656	5,639	5,656
[illegible]	1,035	917	909	1,010	1,069	1,084
[illegible]	2,400	2,576	2,400	2,561	2,575	2,613
[illegible]	21	234	226	313	314	255

BANK OF ENGLAND.—In £'s (000's omitted).

	Apr. 13, 1931.	Mar. 11, 1932.	Mar. 18, 1932.	Mar. 24, 1932.	Apr. 1, 1932.	Apr. 6, 1932.
[illegible]	6,691	6,944	6,938	7,189	6,420	6,719
[illegible]	399	469	467	460	457	463
[illegible]	3,287	4,685	3,570	3,996	3,685	2,117
[illegible]	1,227	69	64	54	53	53
[illegible]	1,180	1,313	1,147	1,127	1,881	1,630
[illegible]	1,000	1,000	1,000	1,000	1,000	1,000
[illegible]	802	802	802	802	802	802
[illegible]	7,787	7,661	6,612	7,988	8,433	7,443
[illegible]	1,450	1,126	1,126	1,457	1,185	1,083
[illegible]	4,978	4,966	4,967	3,755	3,436	3,972
[illegible]	35·2%	35·8%	35·1%	55·6%	49·7%	56·5%

IMPERIAL BANK OF INDIA.—In rupees (000's omitted).

	Apr. 16, 1931.	Mar. 11, 1932.	Mar. 18, 1932.	Mar. 25, 1932.	Apr. 1, 1932.	Apr. 8, 1932.
Assets.						
Total securities	20,55,44	17,69,60	17,69,57	18,16,01	19,68,18	21,44,48
Loans	14,71,54	9,61,62	9,60,91	9,43,79	10,03,60	9,53,95
Cash credits	29,23,77	24,41,09	24,40,48	24,03,80	24,67,73	23,82,55
Inland bills	3,40,69	6,48,93	6,49,05	6,53,09	6,56,61	6,62,55
Foreign bills	31,53	36,54	36,57	39,40	34,97	30,46
Dead stock	2,76,16	2,63,98	2,60,09	2,60,18	2,60,35	2,60,49
Bal. with other banks	5,93	33,95	49,31	58,34	60,02	40,18
Cash	12,03,14	8,37,45	9,56,36	9,72,78	12,58,49	8,76,76
Liabilities.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	5,40,00	5,00,00	5,00,00	5,00,00	5,00,00	5,00,00
Total deposits	72,15,34	68,67,73	69,79,69	68,34,71	71,65,26	67,79,96
The above includes—	£	£	£	£	£	£
Deposits in London	8,150	1,958	1,943	2,189	2,039	941
Advances in London	5,432	1,688	1,684	1,880	1,941	844
Cash, &c., at other Banks in London	44	256	373	417	301	305

THE REICHSBANK.—In Reichsmarks (000's omitted).

Assets.	Apr. 30, 1931.	Apr. 15, 1932.	Apr. 23, 1932.	Apr. 30, 1932.
Gold	2,368,404	869,788	869,925	858,834
Of which deposited abroad	207,638	75,489	94,974	94,967
Reserve in foreign currencies	157,250	126,096	129,045	130,616
Bills of exchange and cheques	1,860,463	3,025,609	2,896,318	3,171,912
Silver and other coin	167,714	231,178	279,690	162,394
Notes of other German banks	4,065	8,856	11,641	2,178
Advances	287,305	98,118	83,263	231,967
Investments	102,633	361,661	361,661	361,661
Other assets	496,231	939,166	866,148	819,514
Liabilities.				
Share capital	150,000	180,000	150,000	180,000
Reserves	337,331	417,426	417,426	417,426
Notes in circulation	4,340,167	4,000,354	3,875,165	4,128,057
Other daily maturing obligations	355,468	384,449	379,834	404,729
Other liabilities	261,199	861,339	894,699	681,782
Cover of note circulation	58·2%	24·7%	25·8%	24·0%

NATIONAL BANK OF BELGIUM.—In belgas (000's omitted).

Assets.	Position, May 22, 1914.	Apr. 30, 1931.	April 7, 1932.	Apr. 14, 1932.	Apr. 21, 1932.	Apr. 28, 1932.
Gold	(b)	1,445,090	2,530,619	2,531,401	2,531,743	2,523,363
Foreign bills and balances abroad	233,600	890,539	...	...	...	...
Silver and other coin		5,764	49,695	50,385	51,605	52,138
Securities	697,800	746,311	965,743	946,269	934,658	937,111
Liabilities.						
Notes in circulation	934,160	3,278,820	3,680,464	3,670,966	3,644,234	3,653,140
Current accounts	113,196	114,353	155,916	196,475	213,636	209,948

(b) In thousand francs.

NETHERLANDS BANK.—In florins (000's omitted).

Assets.	Position, May 30, 1914.	Apr. 27, 1931.	Apr. 4 1932.	Apr. 11, 1932.	Apr. 18, 1932.	Apr. 25, 1932.
Gold	163,092	449,976	895,763	891,893	900,570	906,342
Silver	8,436	35,437	34,635	34,417	34,775	35,138
Home bills discounted		46,001	58,838	54,317	54,315	53,391
Foreign bills	283,504	220,893	84,410	84,410	84,410	88,572
Loans and advances in current acct.		89,142	98,670	94,816	97,956	101,624
Liabilities.						
Notes in circulation	316,632	838,391	997,080	976,981	973,781	982,117
Deposits	8,016	32,971	163,567	180,794	196,223	196,487

SWISS NATIONAL BANK.—In francs (000's omitted).

Assets.	Position, May 31, 1914.	Apr. 30, 1931.	Apr. 7, 1932.	Apr. 15, 1932.	Mar. 23, 1932.	Apr. 30, 1932.
Gold	171,175	642,803	2,438,611	2,438,617	2,438,617	2,438,631
Foreign Bills and Balances abroad	—	315,290	110,123	111,334	110,245	110,957
Discounts	—	58,149	53,207	47,890	41,978	64,061
Advances	165,000	41,078	46,846	43,010	41,679	41,505
Liabilities.						
Notes in circulation	278,930	967,814	1,490,971	1,488,981	1,481,971	1,529,075
Deposits	33,750	149,265	1,160,390	1,185,674	1,174,190	1,131,641

BANK OF ITALY.—In lire (000's omitted).

Assets.	Apr. 20, 1931.	Mar. 30, 1932.	Mar. 31, 1932.	Apr. 10, 1932.	Apr. 23, 1932.
Gold, coin and bullion	5,312,600	5,626,900	5,627,800	5,626,800	5,626,400
Foreign bills and balances abroad	4,064,600	1,609,700	1,533,700	1,508,900	1,492,800
Other cash	266,400	311,300	313,200	314,200	323,200
Gold deposited abroad due by the State	1,776,600	1,772,800	1,772,800	1,772,800	1,772,800
Discounts	3,037,500	4,634,000	4,617,500	4,654,700	4,615,500
Advances	1,065,100	902,600	1,019,900	958,800	1,018,000
Credit with "Instituto di Liquidazion"	636,200	1,590,600	1,613,100	1,613,100	1,612,100
Government securities	1,176,200	1,570,800	1,571,800	1,568,100	1,569,600
Liabilities.					
Notes in circulation	14,797,300	13,651,100	13,871,700	13,822,300	13,145,100
Public deposits	300,000	300,000	300,000	300,000	300,000
Other deposits and drafts	1,967,600	1,471,700	1,399,700	1,419,800	1,493,300
Ratio of reserve to note and sight liabilities combined	54·95%	46·92%	45·99%	46·52%	47·68%

BANK OF SWEDEN.—In kronor (000's omitted).

Assets.	May 2, 1931.	Apr. 9, 1932.	Apr. 16, 1932.	Apr. 23, 1932.	April 30, 1932.
Gold reserve	230,788	205,998	205,998	206,438	206,937
Government securities—Swedish	3,358	3,730	3,730	218,430	218,430
" " foreign	73,289	...	...	...	...
Other Swedish bonds quoted on foreign bourses	94	94	94	94	94
Bills payable in Sweden†	186,292	451,989	458,689	257,693	255,971	
" " abroad	93,414	1,672	1,647	1,653	1,646	
Balance abroad	188,730	111,394	111,494	215,356	112,891	
Advances made on Government securities and bonds†	42,256	37,893	35,644	34,089	32,462	
Liabilities.						
Notes in circulation	546,511	532,773	537,539	509,106	576,166	
Government deposits	104,446	163,946	170,775	186,395	169,770	
Private deposits	8,523	56,336	49,659	75,703	56,635	

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are not available as cover for the note issue.

BANK OF NORWAY.—In kroner (000's omitted).

	Position, May 31, 1914.	Apr. 22, 1931.	Apr. 7, 1932.	Apr. 15, 1932.	Apr. 22, 1932.
ASSETS.					
Coin and bullion—Gold	44,226	146,398	155,259	155,259	155,259*
Balance abroad and foreign bills	28,533	33,190	14,958	13,558	14,963
Norwegian and Foreign Government securities	8,816	53,940	29,252	29,158	29,102
Discounts and loans	76,911	172,009	26[illegible]9	266,888	268,257
LIABILITIES.					
Notes in circulation	113,484	287,995	307,858	307,878	307,442
Deposits at sight	7,188	62,926	92,945	92,475	96,141

* In addition the Bank has at its free disposal abroad Kr. 37,159,000.

NATIONAL BANK OF DENMARK.—In kroner (000's omitted).

	Position, May 30, 1914.	Apr. 30, 1931.	Jan. 30, 1932.	Feb. 29, 1932.	Mar. 31, 1932.	Apr. 30, 1932.
ASSETS.						
Coin and bullion...	78,644	171,945	146,854	144,584	144,582	144,579
Loans & discounts	88,470	121,054	199,677	192,375	173,404	171,318
Debtors abroad ...	24,102	61,021	24,488	26,219	26,583	23,446
Securities	11,988	42,673	49,517	54,986	57,326	63,222
LIABILITIES.						
Circulation	157,366	353,705	334,749	320,846	321,634	334,919
Deposits	6,698	30,533	49,773	37,519	43,738	46,183

BANK OF SPAIN.—In pesetas (000's omitted).

	Position, May 30, 1914	Apr. 25, 1931.	Apr. 2, 1932.	Apr. 9, 1932.	Apr. 16, 1932.	Apr. 23, 1932.
ASSETS.						
Gold	521,778	2,422,913	2,249,921	2,250,214	2,250,427	2,250,872
Silver	728,600	706,325	548,744	546,678	547,861	553,997
Loans & Discounts	800,725	2,357,668	3,097,877	3,086,686	3,529,238	3,358,890
Spanish 4% stock...	344,475	344,475	344,475	344,475	344,475	344,475
Advcs. to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	901,550	4,950,872	4,918,729	4,976,685	4,931,065	4,886,002
Deposits	477,800	759,466	1,011,368	1,019,521	952,590	918,390

BANK OF PORTUGAL.—In escudos (000's omitted).

	Mar. 16, 1932.	Mar. 23, 1932.	Mar. 30, 1932.	Apr. 6, 1932.	Apr. 13, 1932.
ASSETS.					
Gold	345,187	357,848	358,535	361,649	362,757
Balances abroad	621,168	597,664	597,026	582,498	571,706
Discounts	326,744	322,810	318,387	318,806	320,226
Government loans	1,058,029	1,058,029	1,058,029	1,058,029	1,058,029
LIABILITIES.					
Notes in circulation	1,901,161	1,906,096	1,918,903	1,913,303	1,893,306
Government deposits	102,301	83,518	12,448	35,890	60,765
Bankers' deposits	280,428	288,223	322,459	301,997	296,023
Other deposits	32,576	28,419	37,029	32,426	28,952

AUSTRIAN NATIONAL BANK.—In schillings (000's omitted).

ASSETS.	April 23, 1931.	Mar. 31, 1932.	April 7, 1932.	Apr. 15, 1932.	Apr. 23, 1932.
Cash Reserve—					
Gold coin and bullion ...	214,327	179,416	179,416	179,416	179,416
Foreign exchange	134,544	60,174	57,958	48,063	39,172
Other foreign exchange† ...	500,897	115	115	115	115
Bills discounted	57,026	867,186	858,812	845,681	820,892
Govt. debt	96,102	95,643	95,643	95,571	95,571
LIABILITIES.					
Share capital	43,200	43,200	43,200	43,200	43,200
Reserve fund	10,803	10,803	10,803	10,803	10,803
Notes in circulation	834,313	1,008,577	946,124	921,839	879,795
Deposits	172,314	128,446	178,365	180,037	188,348

† In dollar and sterling only.

NATIONAL BANK OF HUNGARY.—In Hungarian Pengö (000's omitted).

ASSETS.	Apr. 23, 1931.	Mar. 31, 1932.	Apr. 7, 1932.	Apr. 16, 1932.	Apr. 23, 1932.
Metal reserve—					
Gold coin and bullion	125,741	100,048	96,399	96,399	96,399
Drafts and notes	15,415	12,364	17,258	16,909	15,622
Silver coin and bullion	14,973	10,838	10,530	11,053	11,435
Inland bills, warrants and securities ...	205,494	407,175	401,448	375,279	369,867
Advances to Treasury	60,116	54,205	54,182	54,182	54,182
LIABILITIES.					
Share capital (gold crowns 30,000,000*)	34,756	34,756	34,756	34,756	34,756
Notes in circulation	319,957	373,934	360,120	347,236	338,167
Current accounts, deposits, &c.	41,524	97,503	98,887	83,299	84,891

* Calculated at pre-war parity of exchange.

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cz. K. (000's omitted).

ASSETS.	Apr. 23, 1931.	Mar. 31, 1932.	Apr. 7, 1932.	Apr. 15, 1932.	Apr. 23, 1932.
Gold	1,641,682	1,642,861	1,642,640	1,642,320	1,642,051
Balance abroad and foreign currency	2,103,992	784,036	755,580	772,278	1,342,428
Discounts and advances ...	162,642	1,432,080	1,295,834	993,932	982,760
State notes debt balance...	3,345,266	3,089,265	3,056,196	3,050,758	3,045,030
Other assets	1,115,634	864,023	853,363	930,386	588,441
LIABILITIES.					
Bank notes in circulation...	5,745,482	6,626,897	6,381,233	6,166,484	5,940,911
Check account balances ...	1,394,555	378,757	566,582	570,114	905,912
Other liabilities	420,264	230,988	216,297	216,503	217,316

NATIONAL BANK OF JUGOSLAVIA.—In dinar (000's omitted).

ASSETS.	Mar. 31, 1932.	Apr. 8, 1932.	Apr. 15, 1932.	Apr. 22, 1932.
Cash reserve :—				
Gold at home and abroad	1,762,578	1,762,817	1,763,063	1,763,139
Foreign exchange	193,229	192,893	196,984	206,613
Other foreign exchange	83,906	83,906	81,488	82,831
Bills and advances against security	2,181,446	2,190,303	2,187,702	2,192,194
Government advances	1,802,746	1,802,987	1,802,941	1,803,257
LIABILITIES.				
Notes in circulation	4,925,613	4,923,881	4,874,838	4,849,554
Sight deposits	496,129	436,783	469,431	825,718

BANK OF GREECE.—In drachmae (000's omitted).

ASSETS.	Apr. 23, 1931.	Mar. 31, 1932.	Apr. 7, 1932.	Apr. 15, 1932.	Apr. 23, 1932.
Gold	480,922	715,940	700,214	642,883	491,288
Gold exchange	3,120,418	341,788	283,711	366,153	469,165
State Gold Bonds	...	607,930	607,930	607,930	607,930
Other foreign exchange ...	2,196	2,236	2,194	2,186	2,160
Bills discounted	146,278	313,027	317,871	320,627	323,717
Advances	156,324	982,614	979,066	1,057,788	986,384
Debt to the State	3,388,763	2,606,436	2,606,436	2,606,606	2,606,606
LIABILITIES.					
Capital paid up	400,000	400,000	400,000	400,000	400,000
Notes in circulation	4,424,066	3,988,963	4,002,263	4,037,221	4,057,125
Deposits and current accounts	1,892,887	499,678	466,776	586,267	678,398
Foreign exchange liabilities	926,579	127,088	116,967	121,616	117,680

CENTRAL BANK OF TURKEY.—In [illegible]

LIABILITIES.	March 31, 1932.	Apr. 7, 1932.	[illegible]	[illegible]
Gold coin and bullion	12,166	12,[illegible]	[illegible]	[illegible]
Other coin and notes	8,803	[illegible]	[illegible]	[illegible]
Cover to Supplementary Note Issue :—				
(a) Gold	1,657	1,[illegible]	[illegible]	[illegible]
(b) Foreign exchange	2,776	2,[illegible]	[illegible]	[illegible]
Free foreign exchange	1,128	[illegible]	[illegible]	[illegible]
Treasury bonds	156,949	156,[illegible]	[illegible]	[illegible]
Bills	24,705	24,[illegible]	[illegible]	[illegible]
Securities	7,065	7,[illegible]	[illegible]	[illegible]
ASSETS.				
Capital	15,000	15,000	[illegible]	[illegible]
Note Issue :—				
Ordinary	156,949	156,[illegible]	[illegible]	[illegible]
Supplementary	12,880	12,[illegible]	[illegible]	[illegible]
Sight liabilities	4,942	4,1[illegible]	[illegible]	[illegible]

BANK OF POLAND.—In zloty* (000's omitted).

ASSETS.	Apr. 20, 1931.	Mar. 20, 1932.	Mar. 31, 1932.	Apr. [illegible], 1932.	[illegible]
Gold	567,305	608,461	573,518	[illegible]	[illegible]
Of which held abroad	81,716	121,588	124,[illegible]	[illegible]	[illegible]
Foreign currencies	334,129	160,283	121,[illegible]	[illegible]	[illegible]
Bills discounted	638,613	644,287	641,[illegible]	[illegible]	[illegible]
Loans against securities ...	92,210	129,342	126,[illegible]	[illegible]	[illegible]
Reserve fund securities ...	90,673	92,761	92,761	[illegible]	[illegible]
LIABILITIES.					
Share capital	150,000	150,000	150,000	[illegible]	[illegible]
Reserve funds	114,000	114,000	114,000	114,000	[illegible]
Notes in circulation	1,164,234	1,076,486	1,130,[illegible]	[illegible]	[illegible]
Current accounts	284,543	237,[illegible]	168,[illegible]	[illegible]	[illegible]

* As from October 27, 1927, 8·91 zlotys equals 1 U.S. dollar.

RUSSIAN STATE BANK.—Note-Issuing Department.

(In Tchervonets—000's omitted.) (NOTE: 1 Tchervonets = 10 gold roubles.)

ASSETS.	May 1, 1931.	Feb. 1, 1932.	Mar. 1, 1932.	Apr. 1, 1932.	[illegible]
Gold in coin and bullion	50,396	63,842	63,9[illegible]	64,[illegible]	[illegible]
Other precious metals	1,917	2,184	2,227	[illegible]	[illegible]
Foreign currency	4,634	4,436	4,468	[illegible]	[illegible]
Drafts in foreign currency	229	154	160	[illegible]	[illegible]
Collateral for short-term loans	168,824	196,883	196,459	196,[illegible]	[illegible]
LIABILITIES.					
Bank-notes transferred to State Bank	224,551	266,966	263,518	267,677	[illegible]
Balance to which notes may still be issued	145	2,534	5,982	1,5[illegible]	[illegible]

BANK OF ESTONIA.—In Est. krones (000's omitted).

ASSETS.	Apr. 23, 1931	Mar. 31, 1932.	Apr. 7, 1932.	Apr. [illegible]	Apr. [illegible]
Gold coin and gold bullion	6,515	7,321	7,321	[illegible]	[illegible]
Net foreign exchange	17,265	14,369	14,347	[illegible]	[illegible]
Subsidiary Estonian coin	1,784	1,778	1,849	[illegible]	[illegible]
Home bills discounted	10,540	10,476	10,370	[illegible]	[illegible]
Loans and advances	15,303	13,159	11,6[illegible]	[illegible]	[illegible]
Thereof loans to Government	5,000	3,900	3,[illegible]	[illegible]	[illegible]
LIABILITIES.					
Notes in circulation	35,658	34,009	33,006	[illegible]	[illegible]
Sight deposits and current accounts ...	14,524	13,839	13,072	[illegible]	[illegible]
Ratio of reserve to current liabilities ...	47·39%	45·33%	47·03%	[illegible]	[illegible]

* Includes Ekr. 4,049,403·20 guaranteed by the Government.

BANK OF LATVIA.—In lats (gold francs) (000's omitted).

ASSETS.	Apr. 27, 1931.	Mar. 28, 1932.	Apr. 4, 1932.	Apr. 11, 1932.	Apr. [illegible]	Apr. [illegible]
Gold bullion and coins	24,078	32,928	34,489	34,4[illegible]	[illegible]	[illegible]
Silver coin	6,548	13,099	13,200	13,183	[illegible]	[illegible]
Balance abroad	27,002	13,886	12,679	12,679	[illegible]	[illegible]
Treas. notes and sm. change	13,702	14,587	15,752	16,029	[illegible]	[illegible]
Short term bills	80,578	74,747	75,264	74,4[illegible]	[illegible]	[illegible]
Loans against securities	70,391	56,915	56,325	[illegible]	[illegible]	[illegible]
Other assets	17,081	22,789	22,665	22,7[illegible]	[illegible]	[illegible]
LIABILITIES.						
Notes in circulation	46,273	39,151	38,784	38,7[illegible]	[illegible]	[illegible]
Capital paid up	18,735	19,676	19,676	19,676	[illegible]	[illegible]
Reserve	4,382	4,729	4,729	4,729	[illegible]	[illegible]
Special reserve	3,500	3,500	3,500	3,500	[illegible]	[illegible]
Deposits	21,073	18,006	17,652	17,6[illegible]	[illegible]	[illegible]
Current accounts	66,419	55,108	56,317	57,437	[illegible]	[illegible]
Government accounts	70,924	77,718	79,527	77,7[illegible]	[illegible]	[illegible]
Other liabilities	8,103	11,062	11,589	10,213	[illegible]	[illegible]

LONDON RATES.

	Apr. 28, 1932.	Apr. 29, 1932.	Apr. 30, 1932.	May 2, 1932.	May 3, 1932.	May 4, 1932.	May 5, 1932.
Bank rate (changed from 3½% Apr. 21, 1932)	% 3	% 3	% 3	% 3	% 3	% 3	% 3
Market rates of discount—							
60 days' bankers' drafts	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3 months' do.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
4 months' do.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
6 months' do.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Discount Treasury Bills—							
2 months'	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3 months'	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Loans—Day-to-day	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Short	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Deposit allowances: Bank	1	1	1	1	1	1	1
Discount houses at call ...	1	1	1	1	1	1	1
At notice	1¼	1¼	1¼	1¼	1¼	1¼	1¼

Comparison with previous week—

	Short Loans.	Bank Bills. 3 Months.	Bank Bills. 4 Months.	Bank Bills. 6 Months.	Trade Bills. 3 Months.	Trade Bills. 4 Months.	Trade Bills. 6 Months.
1932.	%	%	%	%	%	%	%
Apr. 14	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
" 21	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
" 28	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
May 5	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

RATES OF EXCHANGE.

London on		Usance.	Par.	May 7, 1931. 3.45 p.m.	April 28, 1932. 3.45 p.m.	May 5, 1932. 3.45 p.m.
[illegible]	dollars to £1	Cable	4·86⅔	4·86⅞–⅞	3·65½–3·66	3·67–3·67½
[illegible]	dollars to £1	Cable	4·86⅔	4·86⅞–⅞	4·12–4·14	4·09–4·10
[illegible]	francs to £1	T.T.	124·21	124·46–·48	92⅞–93	93–93½
[illegible]	marks to £1	T.T.	20·43	20·42–·42½	16–16	16–16
[illegible]	florins to £1	T.T.	12·107	12·10–[illegible]	9·00–9·05	9·03–9·06
[illegible]	belgas to £1	T.T.	35·00	34·78–78½	35–35½	36–36
[illegible]	lire to £1	T.T.	92·46	92·91–·93	70–71	71–71
[illegible]	francs to £1	T.T.	25·22½	25·24½–·25	18–18	18·73–18·78
[illegible]	kroner to £1	T.T.	18·159	18·16½–[illegible]	19–19	19–19
[illegible]	kroner to £1	T.T.	18·159	18·14–14½	19–19	19–19
[illegible]	kroner to £1	T.T.	18·159	18·16½–[illegible]	18–18	18–18
[illegible]	[illegible] to £1	T.T.	25·22½	47·10–·10	46–46	46–46
[illegible]	[illegible] to £1	T.T.	110	108–[illegible]	109–110	109–110
[illegible]	[illegible] to £1	T.T.	34·58½	34·56–·59	30–34†	30–34†
[illegible]	[illegible] to £1	T.T.	164	164–164½	123½–124½	123–124
[illegible]	[illegible] to £1	T.T.	276·316	276–[illegible]	200–218	205–215
[illegible]	[illegible] to £1	T.T.	27·82	27·85–·92	20–21(o)	20–21 (o)
[illegible]	[illegible] to £1	T.T.	813·6	815–818	600–620	600–620
[illegible]	lei to £1	T.T.	673·659	668–673	500–530	500–550
[illegible]	[illegible] to £1	T.T.	375	374½–·375½	445 sellers	525–575†
[illegible]	[illegible]	T.T.	110	102½ sellers	750–800†	750–800†
[illegible]	[illegible] to £1	T.T.	9·46	9·443–·462	7·05–7·06½	7·08–7·10
[illegible]	[illegible] to £1	T.T.	43·38	43–[illegible]	32½–33½	32½–33½
[illegible]	[illegible] to £1	T.T.	193·23	193–193½	210–220	214–219
[illegible]	[illegible] to £1	T.T.	48·66	48½–49	35–40	35–40
[illegible]	[illegible] to £1	T.T.	18·159	18·20–·27	13–15	13–15
[illegible]	[illegible] to £1	T.T.	26·22½	26·20–·30	18–20	18–20
[illegible]	[illegible] to £1	Sight	97½	97–[illegible]	97 97	97–97
[illegible]	pence to peso	T.T.	47·62d.	35–35	36–36	36–36
[illegible]	[illegible]	90 days	5·899	3–[illegible]	4–4	4–4
[illegible]	pence to peso	T.T.	51	30–31½	29–31†	29–30
[illegible]	pesos to £1	90 days	40	35·96	64·80†	65†
[illegible]	[illegible] to £1	90 days	17·3	17·35	13·10†	12·90†
[illegible]	pence to rupee	T.T. (3)	18	1/5–[illegible]	1/5–1/6	1/5–1/5
[illegible]	[illegible] to dollar	T.T.	...	11d.–1/0	1/3–1/3	1/2–1/3
[illegible]	[illegible] to tael	T.T.	...	1/3–[illegible]	1/7–1/8	1/7–1/8
[illegible]	[illegible] to dollar	T.T.	2s. 4d.	2/3–[illegible]	2/3–2/3	2/3–2/3
[illegible]	[illegible] to yen	T.T.	24·582d.	2/0–[illegible]	1/9–1/9	1/9–1/9
[illegible]	[illegible] to peso	T.T.	24·066d.	2/0	2/7–2/8	2/7–2/8
[illegible]	pesos to £	T.T.	9·76	10·17–·35	11–11	11–11
[illegible]	[illegible] to baht	T.T.	21·82d.	1/9	2/3–2/5	2/3–2/5

† Nominal. (o) Official rate.

OVERSEAS BANK RATES.

	Changed.	From %	To %		Changed.	From %	To %
[illegible]	July 1, 1931	9	8	Madrid	July 8, 1931	6	6½
[illegible]	Apr. 18, 1932	3	2½	Oslo	Mar. 3, 1932	5½	5
[illegible]	Feb. 29, 1932	12	11	Paris	Oct. 9, 1931	2	2½
[illegible]	Mar. 16, 1930	5	4½	Prague	Apr. 11, 1932	6	5
[illegible]	July 29, 1931	6½	7½	Pretoria	Nov. 13, 1931	5	6
[illegible]	Apr. 27, 1932	5½	5	Reval	Jan. 28, 1932	6½	5½
[illegible]	Jan. 11, 1932	2½	3½	Riga	Oct. 1, 1930	7	6a / 7b
[illegible]	Mar. 3, 1932	8	7	Rome	May 2, 1932	6	5
[illegible]	Apr. 16, 1932	7	6	Sofia	Sept. 30, 1931	8½	9½
[illegible]	Apr. 26, 1932	6	5	Stockholm	Mar. 3, 1932	5½	5
[illegible]	Mar. 11, 1932	6	5	Swiss Bank places	Jan. 22, 1931	2½	2
[illegible]	Nov. 24, 1931	6	5	Tokio	Mar. 12, 1932	6·57	5·84
[illegible]	Apr. 19, 1932	7	6½	Vienna	Mar. 17, 1932	8	7
[illegible]	May 4, 1932	7½	7	Warsaw	Oct. 3, 1930	6½	7½
[illegible]	Apr. 4, 1932	7	6½	Irish	Apr. 21, 1932	4½	4
[illegible]	Feb. 25, 1932	3½	3				

Central Bank of Chile.—Discount rate for member banks, 6%; discount rate for the public, 7%.
a [illegible]% applied to banks and credit institutions.
b [illegible]% applied to private persons and firms.

CURRENT PRICES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York:—

	May 6, 1931.	Apr. 6, 1932.	Apr. 13, 1932.	Apr. 20 1932.	Apr. 27, 1932.	May 4, 1932.
	%	%	%	%	%	%
Money [illegible]	1½	2½	2½	2½	2½	2½
Money (90 days' mixed coll.)	2	3	3	3½	2½	2½
[illegible]			Selling Rates			
[illegible], 90 days	1½	2½	2	1½	1	1
[illegible], 90 days	1½	2½	3	1½	1	1
[illegible], 90 days	1½	3½	3½	2½	3½	...
[illegible], 90 days	2½	3½	3½	3	3	3

New York Exchange on		Par Level.	May 6, 1931.	Apr. 20, 1932.	Apr. 27, 1932.	May 4, 1932.
[illegible]	Dollars for £1	4·8666	4·83	3·75	3·64	3·65
[illegible]			4·86	3·76	3·66	3·67
[illegible]			4·86	3·76	3·66	3·67
[illegible]	Cents for 1 [illegible]	3·918	3·90	3·94	3·93	3·94
[illegible]	Cents for 1 belga	13·90	13·90	14·02	14·01	14·05
[illegible]	Cents for 1 [illegible]	19·30	19·26	19·43	19·43	19·60
[illegible]	Cents for 1 lira	5·263	5·23	5·14	5·14	5·16
[illegible]	Cents for 1 mark	23·82	23·80	23·75	23·76	23·80
[illegible]	[illegible]	14·07	14·06	...	...	...
[illegible]	Cents for 1 peseta	19·30	10·40	7·82	7·82	7·95
[illegible]	Cents for 1 guilder	40·195	40·17½	40·51	40·51	40·63
[illegible]			26·76	20·70	20·25	20·15
[illegible]	Cents for 1 krone	26·80	26·76	18·45	18·60	18·70
[illegible]			26·79	18·60	18·40	18·51
[illegible]	[illegible]	1·297	1·29	12·87	...	...
[illegible]	[illegible] for $1	100	½ dis.	9 dis.	11 dis.	10 dis
[illegible]	Cents for 1 yen	49·85	49·35	33	32	33·20
[illegible]	[illegible]	...	34·65	...	...	...
[illegible]	[illegible]	...	31·25	...	...	...
[illegible]	Cents for 1 rupee	36·50	36·07	28	27	27·55
[illegible]	[illegible] for $100	103·65	141·50	...	...	...
[illegible]	Cents for 1 [illegible]	11·95	6·85	...	...	...
[illegible]	Cents for 1 peso	32·135	12·06	...	...	...

[illegible] EXCHANGE RATES.

BUYING RATES.

		Sight.	30 days' sight.	60 days' sight.	90 days' sight.
[illegible]	[illegible]	9% dis. £[illegible]	18% dis. £[illegible]	26% dis. £76	34% dis. £79

SELLING RATES PER £100 (STERLING).

	Sight.	Telegraphic.
London on :—	£ s. d.	£ s. d.
Rhodesia	99 17 6	99 15 0
South Africa	76 5 0	76 0 0

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of Exchange :—

Country.	Method of Quoting.	Par Value.	Usance.	Latest Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·04†
Venezuela	Bolivares to £	25·2215	„	23·75†
Colombia (Bogota)	Pesos to £	5	„	3·85†
Nicaragua	Cordobas to £	4·8665	„	4·96
Salvador	Colones to £	9·73	„	10·30
Bolivia	Bolivianos to £	13·33	„	13·35

† Nominal.

OVERSEAS DOMINION RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.				Australia and New Zealand on London.*			
	Buying.		Selling.		Buying.		Selling.	
	Australia.	New Zealand.	Australia.	New Zealand.	Australia.	New Zealand.	Australia.	New Zealand.
T.T. ...	...	...	125	109⅞	125	...	125½	110
Sight ...	126½	111⅞	125½	109⅞	124⅞	108½	125⅛	109½
30 days	127⅞	112⅞	...	...	124⅞	108⅛	125⅞	109⅛
60 days	127⅞	112⅞	...	...	123⅞	107⅞	124⅞	109⅞
90 days	128⅞	113	...	...	123⅞	107⅛	124⅞	108⅞

All rates (Australia and New Zealand) now based on £100—LONDON.

INDIA COUNCIL REMITTANCES.

India: Remittances to the Home Treasury.—There were no remittances from the Government of India to the Secretary of State for India during the week ending April 30, 1932.—India Office, S.W. 1. May 4, 1932.

BULLION.

The following statistics of imports and exports of gold for week ended May 5, 1932, are issued by the Statistical Department of H.M. Customs and Excise :—

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	£	To—	£
Netherlands	12,050	Germany	2,500
France	11,399	Netherlands	437,867
Iraq	6,814	France	704,268
United States of America	243,578	Belgium	37,501
Malta	2,366	Switzerland	23,909
Palestine	9,350	Austria	8,585
British West Africa	50,104	Czechslovakia	11,050
British South Africa	1,694,551		
Anglo-Egyptian Sudan	3,175		
British India	1,275,873		
Straits Settlements	96,314		
Australia	300		
New Zealand	104,785		
Other countries	2,598		
Total declared value of imports	3,513,256	Total declared value of exports	1,225,680

Messrs Samuel Montagu and Company write on May 4, 1932, as follows :—

GOLD.

The Bank of England gold reserve against notes amounted to £120,815,666 on the 27th ultimo, as compared with £120,815,498 on the previous Wednesday. The s.s. "Strathaird," which sailed from Bombay on the 30th ultimo, carries gold to the value of about £479,000. A small proportion of the gold available in the open market has been taken for the Continent, but most of the offerings were secured by an undisclosed buyer.

Quotations during the week :—

	Per fine ounce.	Equivalent value of £ sterling.
April 28	112s. 8d.	15s. 1·0d.
„ 29	113s. 4d.	14s. 11·8d.
„ 30	112s. 10d.	15s. 0·7d.
May 2	112s. 9d.	15s. 0·8d.
„ 3	113s. 1d.	15s. 0·3d.
„ 4	112s. 6d.	15s. 1·2d.
Average	112s. 10·3d.	15s. 0·6d.

SILVER.

The market has been quiet during the past week and owing to lack of support the tendency of prices has been downwards. Silver has been offered by America, but whilst China has been a seller, purchases have also been made for this quarter at the lower rates. Although the Indian Bazaars have bought in this market, they continue on the whole, inactive. The outlook remains undefined. The following were the United Kingdom imports and exports of

silver registered from mid-day on the 25th ultimo to mid-day on the 2nd instant:—

Imports.	£	Exports.	£
Japan	15,920	Hongkong	57,338
Canada	26,333	Latvia	37,600
Australia	10,349	British India	14,200
France	6,900	Bermudas	6,500
Belgium	3,945	Straits Settlements	3,091
Other countries	2,250	Germany	1,475
		Netherlands	1,155
		Other countries	3,411
	65,697		124,770

Quotations during the week:—

	In London. Bar Silver per oz. std. Cash delivery.	Two Months' delivery.		In New York. Cents per Ounce ·999 fine.
April 28	16⅛d.	17d.	April 27	28⅛
„ 29	16⅜d.	17⅛d.	„ 28	27⅞
„ 30	16⅛d.	17d.	„ 29	27⅞
May 2	16⅜d.	16⅜d.	„ 30	27⅞
„ 3	16⅛d.	16⅜d.	May 2	27⅞
„ 4	16⅛d.	16⅛d.	„ 3	27⅞
Average	16·760d.	16·885d.		

The highest rate of exchange on New York recorded during the period from the 28th ultimo to the 4th instant was $3·69½ and the lowest $3·64. No fresh Indian currency returns are yet to hand.

The stocks of Shanghai on the 30th ultimo consisted of about 61,900,000 ounces in sycee, 196,000,000 dollars and 4,240 silver bars, as compared with about 61,500,000 ounces in sycee, 194,000,000 dollars and 4,040 silver bars on the 23rd ultimo.

Statistics for the month of April last are appended:—

	Cash delivery.	Two Months' delivery.	Bar Gold per ounce fine.
Highest price	17⅛d.	17⅛d.	113s. 5d.
Lowest price	16⅛d.	16⅛d.	108s. 4d.
Average price	16·923d.	16·990d.	110s. 3·35d.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver— Per Ounce. Cash	Forward	Date.	Silver. Cash.
1932.	s. d.	d.	d.		d.
April 29	113 4	16⅝	17⅛	May 9, 1926	31⅛
„ 30	112 10	16½	17	„ 7, 1927	29⅝
May 2	112 9	16⅝	16⅝	„ 6, 1928	26⅛
„ 3	113 1	16⅝	16⅝	„ 3, 1929	27⅛
„ 4	112 6	16½	16½	„ 8, 1930	19⅛
„ 5	112 9	16⅝	16⅝	„ 7, 1931	13⅛

Company News.

REPORTS AND NOTICES.

RAILWAYS.

BUENOS AYRES WESTERN RAILWAY, LTD.—The board write as follows on May 4, 1932: Inquiries having been addressed to the company, the board consider it desirable to advise the proprietors of the course of events since the last general meeting. Compared with the same period of last year, gross receipts have increased by £32,000, and expenses have been reduced. Although the maize crop in the company's zone is an indifferent one, and traffics may show some decline for the remainder of the calendar year, the company's debenture and preference charges will be met on the due dates. Sowing for the next wheat crop is proceeding normally. Grazing lands are reported to be in good order. The effects of the Chilean volcanic eruptions as far as this company's zones are concerned are negligible. The company has received remittances sufficient for its actual requirements through the Exchange Control Department, and the rate is showing an improving tendency. The company has no heavy capital or other commitments, and is in possession of adequate cash resources. Some anxiety has been expressed in Argentina and elsewhere on account of the floating indebtedness of the Government, but Congress has recently passed measures which will enable the Government to meet urgent needs. The directors consider that Argentina has now reached a more stable position than has obtained for some years past, and from this improvement, provided necessary reforms in transport laws and regulations are conceded, the railway industry will benefit.

THE BUENOS AYRES GREAT SOUTHERN RAILWAY COMPANY, LTD.—In response to numerous inquiries, the board of the Buenos Ayres Great Southern Railway Company, Ltd., think it advisable to make the following statement: The gross receipts for the current financial year commencing July 1, 1931, show a decrease up to date of approximately £280,000, but this is more than offset by economies in working expenses. Exchange transactions being subject to Government control, the company remains with a considerable currency balance in Buenos Aires, but sufficient funds have been received to meet current outgoings. The company has no overdraft with its bankers. Exchange losses are less than for the corresponding period last year, remittances having been received on the same scale and at more favourable rates during the current year. Interest on the company's debentures and dividends on all preference stocks have been punctually paid out of profits, and there is no reason, in the normal course, to anticipate difficulty in meeting similar payments falling due during the remainder of the current year. Substantial savings have been effected in working expenses, and measures are being pressed forward with a view to further reductions. The Argentine Government is making every effort to meet the economic crisis. The official figures of imports and exports for the first three months of the year 1932 show a substantial balance of trade in favour of the Republic. The authorisation by Congress of the patriotic loan of five hundred million pesos has [illegible] anxiety in respect of the Federal Government's floating [illegible]

BANKS.

BARCLAYS BANK LIMITED.—Mr Edwin Fisher has been [illegible] to a seat on the board and will relinquish his position as one of the general managers. Mr Hugh Exton Seebohm and Mr Robert Mabe have been elected as vice-chairmen of the board. As previously announced, Mr Raoul Hector Foà has been elected as deputy chairman of Barclays Bank (Dominion, Colonial and Overseas). Mr Herbert Leslie Melville Tritton has been elected to the position of vice-chairman.

INSURANCE.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY, LTD.—The following are the results for the year 1931: Net premiums—Fire, £3,628,332 (against £3,900,708 for 1930); Railway Passengers Assurance Company, £1,155,341 (against £1,196,170); Ocean Marine Insurance Company, £290,208 (against £322,662); Fire Art and General Insurance Company, £339,524 (against £[illegible]); net profit exclusive of interest—Fire, £246,368; Railway Passengers, £124,216; Fine Art and General, £44,240. The whole balance of the 1930 account of the Ocean Marine has been carried to the reserve for claims of 1930 and previous years, and £80,000 has been transferred from that reserve to profit and loss. Total interest on the fire account and three subsidiaries, £549,524. New Life policies were issued insuring net £3,816,878 and £343,700 was received for the purchase of annuities. The profit and loss accounts, after providing for the dividends paid during the year and for income tax, &c., and the amounts written off investments, show the following balances carried forward: North British, £3,172,843; Railway Passengers, £1,576,254; Ocean Marine, £481,467; Fine Art and General, £612,695. The directors recommend a dividend for the year 1931 of 23s. per share less tax, payable half on May 16th and half on November 11th, being the same as for the previous year.

MISCELLANEOUS.

BRITISH COSACH COMMITTEE.—In view of the position of the Chilean nitrate industry, it has been thought advisable to form a committee representative of British holders of securities of the "Cosach" Company and its associated nitrate companies. The members of the committee are as follows: Hon. Alexander Baring (Baring Bros. and Company, Ltd.), Sir Bertram Hornsby (Anglo-South American Bank), Mr A. A. Jamieson (Robert Fleming and Company, Ltd.), Mr H. P. Lawson (W. Greenwell and Company), Mr A. Levine (on behalf of British Insurance Association), Mr J. A. Stride (Industrial and General Trust, Ltd.), Mr Henry F. Tiarks (J. Henry Schroder and Company), Mr A. H. Wynn (Mercantile Investment and General Trust Company, Ltd.). Mr Nigel Campbell, of Messrs Helbert, Wagg and Company, Ltd., will act as independent chairman. Mr Robert J. Stopford, of 41 Threadneedle Street, E.C., will act as secretary.

S.A. FABRIQUE DE SOIE ARTIFICIELLE DE TOMASZOW, WARSAW.—The accounts for 1931 of the Fabrique de Soie Artificielle de Tomaszow show, after writing off liberal amounts for depreciation, bad and doubtful debts, and making provision for income tax, a net profit of Zl. 2,899,500, against Zl. 3,498,351 in 1930. After allowing for directors' fees and bonus to the staff, a dividend of Zl. 2 is being paid against Zl. 2·25 last year. In spite of the difficult times, the company has maintained its strong financial position and repurchased further 90,000 shares; since the closing of the accounts an additional 20,000 shares have been bought in, so that the share capital has been reduced to Zl. 35,700,000, as against Zl. 42,900,000 at the end of 1930 and Zl. 38,200,000 at the end of 1931. Cash at Zl. 12,919,000 is but slightly less than last year, while bills receivable stand at Zl. 4,355,000, against Zl. [illegible], and debtors at Zl. 7,835,000 compare with Zl. 9,248,000. Creditors at Zl. 4,735,000 include taxes, &c. The liquid assets are thus about 84 per cent. of the capital. The report states that the company's activities suffered under the world crisis, and that output was consequently kept more in harmony with sales. The company has taken up the production of kindred articles.

THE FORESTAL LAND, TIMBER, AND RAILWAYS CO., LTD.—The directors announce that, while none of the subsidiary companies showed a loss after the necessary writing down of assets and making adequate depreciation of wasting assets, the dividends received from them have not been sufficient to prevent the revenue of the parent company closing with a loss of £22,503 after providing for the interest upon the 6 per cent. 10-year Notes. The balance carried forward at December 31, 1930, of £212,705 is consequently reduced to £190,202, out of which there has already been paid the 6 per cent. cumulative preference dividend for year 1931, amounting to £111,951, leaving a balance of £78,251, which the directors propose to carry forward to the year 1932. For 1931 profit on trading, including dividends from subsidiaries, investment interest, etc., was £685,186, and the balance at credit of profit and loss account £262,142. The dividend on the ordinary shares for 1931 was 6½ per cent., the same as in 1930. General meeting, May 31, 1932, at River Plate House, London.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div. — Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. — Latest Year.	Previous Year.
				%	%
TEA AND RUBBER.					
[illegible] Tea	...	...	...	7½	9
[illegible] Darjeeling Tea	8½%†	...	...	11	...
[illegible] Tea	10%†	...	...	15	20
[illegible] Ceylon Tea	...	...	...	3	7
[illegible] ([illegible]) Tea	15%†	...	...	20	26
[illegible] Estates	20%†	...	...	30	30
MINING.					
[illegible] and Wilcox	...	...	...	2	4
OTHER COMPANIES.					
[illegible] and Co.	...	...	...	13½	20
[illegible] Oil, "B"	...	...	...	10	17½
[illegible]	...	...	...	6	6
[illegible] College Green Hotel	7%†	...	Less tax	12	12
[illegible] Electric	...	...	...	10	10
[illegible] Brewery	...	...	...	21	25
[illegible] Trust (def.)	5%†	...	...	10	20
[illegible] Union Trust	3%†	...	...	5	5
[illegible] and Rose	...	...	Tax free	4	4
[illegible] and Co.	...	...	...	15	15
[illegible] Perfumery	...	...	...	20	35
[illegible] Delta	10d. p.s.	† May 29	...	...	...
[illegible] Markets	5%†	...	...	10	11
[illegible] (Manchester)	4%†	...	...	8	8
[illegible]	...	...	Tax free	10	10
[illegible] and Kennedy	6%†	June 1	...	10	10
[illegible] Berry and Sons	...	...	...	25	25
[illegible] Hart and Co.	...	...	...	20	20
[illegible] Brothers	...	...	...	10	...
[illegible] and Son	...	...	...	2½	Nil
[illegible] Canadian Gen. Trust	4%†	...	...	7	9
[illegible]	...	...	...	7	10
[illegible]	12½%†	...	...	15	10
[illegible] Licensed Properties	...	...	...	5	5
[illegible] Products	5%†	...	...	...	...
[illegible] Manufacturers (def.)	6%†	...	...	10	10½
[illegible], Sons and Co.	5%†	...	...	10	12½
[illegible]	...	...	Tax free	2½	5
[illegible] and Co.	...	...	...	27½	20

[illegible] NEW ZEALAND.—The board of directors announce that profit for the [illegible] £587,000, a reduction of £258,000 on figures for previous [illegible] to audit. It will be proposed at the next annual meeting of share[illegible] to be held in June, that the same distribution be made as for previous [illegible] Amount to be distributed, £817,968, inclusive of interim dividend paid in [illegible] last. Will be provided as follows: Out of net profits for the year, [illegible] £587,000; out of balance of profits, £626,001 (carried forward at [illegible] 1931, approximately £230,968). Balance to be carried forward to next [illegible] profit and loss account will be approximately £395,060. The distribution [illegible] in New Zealand currency.

[illegible]—Profit for 1931, £36,603 (against £35,753); ordinary dividend, 1½d. [illegible] (same as last year); general reserve, £14,000 (against £12,000); carry [illegible] (against £1,749).

[illegible] INVESTMENTS, LTD.—The directors have declared a dividend [illegible] per cent. cumulative redeemable preference stock (par value $50) of the [illegible] the rate of 4 per cent. per annum for the quarter ending April 30, 1932, [illegible] May 2, 1932, to shareholders of record at the close of business on [illegible] day of April, 1932.

[illegible] ASSURANCE COMPANY, LTD.—The directors of the Phœnix Assurance [illegible], have resolved to recommend that a dividend of fourteen shillings [illegible] to income tax, be declared for the year ended December 31, 1931, [illegible] payable in two instalments of seven shillings each on June 15th and [illegible] next, to members on the register on May 15th and November 15th [illegible]. In connection with the payment of the first instalment the share [illegible] and the register of members will be closed from May 15th to 29th [illegible]. Interest for the half-year ending June 14th on the debenture stocks of [illegible] will be payable on June 15th, and the debenture stock transfer books [illegible] will be closed from June 1st to 14th inclusive. The ordinary general [illegible] the company will be held this year on Tuesday, May 31st.

[illegible] CITY IMPROVEMENTS COMPANY, LTD.—The directors recom[illegible] of 1s. 3d. per share, free of income tax, the same as last year, [illegible] old shares of the company for the year 1931. The new shares [illegible] are not entitled to rank for dividend for that year.

[illegible] COMPANY.—General meeting of Shareholders, to be held in Paris, [illegible] June 6, 1932.—Holders of not less than twenty-five shares who are [illegible] being present or represented at the meeting must prove, at the head [illegible] of the company, 1 rue d'Astorg, Paris, before June 2nd, that they have [illegible] with the said company or at any of the company's appointed [illegible] deposited in London with Messrs N. M. Rothschild and Sons, [illegible] deliver a card of admission to the meeting, or a form of [illegible] the holders to be represented by other shareholders having the [illegible]

[illegible], LTD.—An interim dividend of 5 per cent., less Trinidad [illegible] subject to United Kingdom income tax, as stated below, has [illegible] the board in respect of the financial year ending June 30, 1932, [illegible] registered on the books of the company at the close of [illegible] May 7, 1932. Dividend, 1s. per share; less Trinidad income [illegible] in the £, 1·412d. per share; amount subject to United [illegible] 10·588d. per share; deduct United Kingdom income tax at [illegible] in the £ on 10·588d., 1·401d. per share; nett, 9·187d. per [illegible] books and register of members will be closed from Monday, [illegible] Wednesday, May 18, 1932, both days inclusive. The dividend [illegible] May 19, 1932. The profit for the current financial [illegible] improvement over that of the preceding year, [illegible] products. This is due to further reduction in working [illegible] derived from exchange since the departure of Great [illegible] standard. If existing conditions continue to prevail, the [illegible] payment of a final dividend at the same rate.

[illegible], LTD.—The directors have decided to pay [illegible] per cent. on the ordinary shares of the company and [illegible] per cent. on the deferred shares of the company in [illegible] year. The warrants for the dividend on the ordinary [illegible] shareholders on May 31, 1932, and for the dividend [illegible] 13, 1932.

NOTICES.

[illegible] announce the opening of a new branch at [illegible]

[illegible] announce the opening of a new office at [illegible], Broadwater, Worthing.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended April 29, 1932. (c) Week ended April 30, 1932.		Miles Open.	Gross Receipts, week ended May 1, 1932. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate Gross Receipts, 17 weeks. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
			£	£	£	£	£	£	£	£	£	£
Great Western	1932	3,761	183	173	103	276	459	2,922	2,941	1,840	4,781	7,703
	1931	3,761	201	205	117	322	523	3,215	3,240	1,871	5,111	8,326
(c) L. & N. Eastern	1932	6,356	287	325	205	530	817	4,462	5,195	4,011	9,206	13,668
	1931	6,353	306	387	227	614	920	4,817	5,935	4,266	10,201	15 018
L. M. & Scottish	1932	6,962½	418	432	208	640	1,058	6,757	7,437	4,263	11,700	18,457
	1931	6,958½	445	501	235	736	1,181	7,191	8,074	4,615	12,689	19,880
Southern	1932	2,181	257	74	36	110	367	4,122	1,074	577	1,651	5,773
	1931	2,180	277	83	32	115	392	4,475	1,226	565	1,791	6,266
Total	1932	19261½	1145	1004	552	1556	2,701	18263	16647	10691	27,338	45,601
	1931	19250½	1229	1176	611	1787	3,016	19698	18475	11317	29,792	49,490
(c) Metropolitan	1932	59	29·5	...	...	3·6	33·1	501·6	...	...	60·7	562·3
	1931	59	31·5	...	...	3·9	35·4	530·4	...	...	64·5	594·9
(c) Underground R.R.	1932	...	300.2	...	...	...	300·2	4923.9	...	...	...	4923·9
	1931	...	307.9	...	...	...	307·9	5066.4	...	...	...	5066·4
(c) Green Buses, &c.	1932	...	31·1	...	...	...	31·1	477·2	...	...	...	477·2
	1931*	...	...	...	...	...	...	...	...	...	...	...
(c) L. & Sb. Group	1932	...	44·5	...	...	...	44·5	721·3	...	...	...	721·3
	1931	...	45·2	...	...	...	45·2	738·1	...	...	...	738·1
(b) Belfast & Co. Down	1932	80	2·0	...	...	0·7	2·7	32·6	...	...	11·8	44·4
	1931	80	2·3	...	...	0·8	3·1	35·3	...	...	12·5	47·8
(b) Great Northern	1932	562	8·1	...	...	14·3	22·4	151·8	...	...	223·9	375·7
	1931	562	10·0	...	...	17·1	27·1	167·8	...	...	256·6	424·4
(b) Great Southern	1932	2,182	20·4	...	...	37·7	58·1	338·7	...	...	634·1	972·8
	1931	2,182	23·8	...	...	44·3	68·1	371·3	...	...	736·3	1107·6

* The operations of these Companies were extended during 1931.

OVERSEAS RAILWAY RECEIPTS.

Name.	Weeks.	Ending.	Present Mileage.	Gross Receipts for Week. 1932.	+ or −	Total Gross Receipts. 1932.	+ or −
INDIAN.							
		1932.		Rs.	Rs.	Rs.	Rs.
Assam Bengal	52	Mar. 31	1,330	4,96,100	−2,58,582	1,89,90,123	− 20,53,271
Barsi Lt. Ry.	1	April 9	202	35,900	− 40,000	35,900	− 40,006
Bengal&N.Western	1	9	2,114	8,73,221	− 40,644	873,221	− 40,644
Bengal-Nagpur	52	Mar. 31	3,274	25,03,000	−3,42,420	7,18,98,070	− 90,83,430
Bombay,Bar.& C.I.	4	Apr. 30	3,084	21,28,000	−1,68,000	91,76,000	− 6,64,000
Madras & S. Mahr.	1	9	3,230	17,48,000	−4,58,377	17,48,000	− 458,377
†Rohilk'd& Kumaon	1	9	572	2,09,849	− 12,509	2,09,849	− 12,509
South Indian	52	Mar. 31	2,495	19,18,675	− 33,242	5,60,81,010	− 51,65,322

† Including Lucknow-Bareilly State Railway.

Name.	Weeks.	Ending.	Present Mileage.	Gross Receipts for Week. 1932.	+ or −	Total Gross Receipts. 1932.	+ or −
CANADIAN.							
		1932		$	$	$	$
Canadian National	16	Apr. 21	20538	2,690,499	− 841,183	42,451,439	−10,113,751
Canadian Pacific	17	30	16811	3,105,000	− 784,000	38,031,000	− 92,510,00
SOUTH AMERICAN.							
		1932.		£	£	£	£
Antofagasta (Chili and Bolivia)	18	May 1	804	12,090	− 3,700	219,370	− 123,720
Argentine N.E.	44	Apr. 30	753	6,300	− 6,200	511,400	− 84,000
ArgentineTrans'dn.	43	23	111	897	− 2,623	76,923	− 73,494
B.A. and Pacific	44	30	2,806	129,000	− 30,000	5,506,000	− 386,000
B.A. Central	44	May 1	...	10,738	− 1,548	466,390	− 81,470
B.A. Gt. Southern	44	Apr. 30	5,076	190,000	− 20,000	9,230,000	− 278,000
B.A. Western	44	30	1,926	75,000	− 5,000	3,218,000	+ 32,000
Central Argentine	44	30	3,505	225,000	− 2,000	9,457,000	+ 151,000
Central Uruguayan	44	30	273	14,765	− 4,953	614,518	− 380,337
C. Urg. (East Ext.)	44	30	311	3,029	− 2,162	135,445	− 85,597
C. Urg. (N. Ext.)	44	30	185	1,964	− 571	66,445	− 47,819
C. Urg. (W. Ext.)	44	30	211	1,163	− 623	55,820	− 41,747
Cordoba Central	44	30	1,218	42,000	− 8,000	2,056,000	− 417,000
Entre Rios	44	30	810	14,400	− 8,400	965,100	− 254,400
G. Westn. of Brazil	18	30	1,052	8,600	+ 4,300	183,700	+ 41,100
Leopoldina	18	30	1,918	31,421	+ 16,181	433,123	+ 58,177
Leopoldina Terminal	18	30	...	Ms.253000	− 25,000	4,892,000	+ 190,000
Nitrate	4†	30	411	1,105	− 4,457	25,016	− 51,006
Paraguay Central	44	30	274	3,870	− 170	130,170	− 31,630
Salvador	44	30	...	2,456	− 1,217	126,414	− 32,914
San Paulo	17	24	153½	33,000	+ 10,997	561,876	+ 104,668
United of Havana	44	30	1,367	26,609	− 3,531	1,133,125	− 601,064

† Months.

Name.	Weeks.	Ending.	Present Mileage.	Gross Receipts for Week. 1932.	+ or −	Total Gross Receipts. 1932.	+ or −
OTHER OVERSEAS.							
				£	£	£	£
Egyptian Delta Light Railways	1	Apr. 10	620	5,782	− 538	5,782	− 538
Egyptian Markets	16	21	...	618	− 1,178	26,338	− 1,954
Gt.Southn.ofSpain	14	9	104	Ps. 54,307	− 23,583	800,998	− 428,430
Mexican Railway	7	30	483	$218,200	− 107,200	2,903,000	− 735,600

TRAMWAYS WEEKLY GROSS RECEIPTS.

Name.	Weeks.	Ending.	Present Mileage.	Gross Receipts for Week. 1932.	+ or −	Total Gross Receipts. 1932.	+ or −
				£	£	£	£
Anglo-Argentine	17	Apr. 29	329	68,254	− 10,012	1,134,435	− 144,055
B. Aires Lacroze	44	May 1	...	9,917	− 1,689	449,909	− 59,046
Isle of Thanet Elec.	16	Apr. 20	...	2,502	+ 186	41,550	− 2,933
Liverpool Corp.	4	27	124	28,327	− 484	107,010	− 3,286
Madras Electric	†4	30	...	Rs.48,401	+ 2,269	4,08,275	+ 21,871
L.C.C. Tramways	4	27	166	77,820	− 2,577	296,800	6,937

† Months.

MONTHLY TRAFFICS.

Company.	Months.	Ending 1932.	Description.	Receipts for Month. 1932.	+ or −	Receipts to Date. 1932.	+ or −
Barcelona T'ction Light & Power	3	Mar. 31	Gross	Ps. 9,675,587	+ 409,138	30,077,022	+ 584,072
			Net	Ps. 6,460,772	+ 439,288	20,502,814	+ 898,054
Costa Rica Rly.	8	Feb. 29	Gross	£19,343	− 11,[illegible]	188,065	− 56,621
Canadian Pacific Railway	3	Mar. 31	Gross	$10,273,000	−2,040,000	28,520,000	−6,808,000
			Net	$1,171,000	− 165,000	2,018,000	− 447,000
Hellenic Electric	3	Mar. 31	Gross	£16,860	− 1,666	50,594	− 2,575
Rangoon Electric Tramway	3	Mar. 31	Gross	Rs. 4,56,058	− 44,161	13,60,380	− 58,916
			Net	Rs. 1,92,068	− 55,479	5,79,991	− 1,32,616

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Year Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.					Consolidated Profit and Loss Account.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward.		
					Prefce.	Ordinary.					
					Amount	Amount.	Rate.			Net Profit.	Net Loss.
Breweries.		£	£	£	£	£	%	£	£	£	£
Chesters Brewery	Mar. 31	68,422	111,162	179,584	17,021	73,946	21	15,551	73,066	122,422	
Electric Lighting, &c.											
British Power and Light ...	Mar. 31	47,866	53,868	101,734	...	36,056	3	10,361	55,317	31,250	
Cawnpore Electric Supply...	Dec. 31	6,119	78,298	84,417	14,000	20,700	10	43,617	6,100	89,450	
Electricity Distribution of North Wales and District	Dec. 31	1,374	28,255	29,629	12,000	...	...	10,614	7,015	22,000	
North Wales Power Co.	Dec. 31	40,855	74,931	115,786	...	30,000	4	40,974	44,812	99,800	
Financial Land, &c.											
Anglo-French Exploration...	Dec. 31	16,503	11,373	27,876	...	...	...	...	27,876	22,000	
Pekin Syndicate.....	June 30	20,795	11,147	31,942	...	...	...	22,707	9,235	*Dr.* 13,000	
Hotels, Restaurants, &c.											
Burlington Hotels Co.	Dec. 31	5,705	*Dr. 1,756*	3,949	...	...	...	...	3,949	1,731	
Iron, Coal and Steel.											
Dixon (William), Ltd.	Feb. 29	10,186	29,221	39,407	15,000	16,400	2½†	...	8,007	48,000	
Oil.											
Maritime Oilfields	Dec. 31	220	5,707	5,927	...	5,568	7½	...	359	3,497	
New Brunswick Gas and Oilfields	Dec. 31	14,443	12,121	26,564	5,220	4,800	8	3,000	13,544	6,333	
Rubber, &c.											
Baru (Java) Estates	Dec. 31	8,787	*Dr. 4,611*	4,176	...	...	...	...	4,176	*Dr.* 1,900	
Bukit Sembawang Rubber..	Dec. 31	9,897	*Dr. 5,515*	4,382	...	...	...	...	4,382	*Dr* 12,800	
Bukit Tupah Rubber	Dec. 31	*Dr. 6,443*	*Dr. 6,207*	*Dr. 12,650*	...	...	...	...	*Dr* 12,650	*Dr.* 7,800	
Central Travancore Rubber	Dec. 31	7,447	*Dr. 3,406*	4,041	...	...	...	...	4,041	*Dr.* 800	
Consolidated Malay Rubber	Dec. 31	2,082	*Dr. 1,917*	165	...	...	...	...	165	*Dr.* 4,150	
Dusun Durian Rubber	Dec. 31	38,379	*Dr. 1,892*	36,487	...	...	...	...	36,487	6,651	
Kelani Valley Rubber	Dec. 31	1,401	*Dr. 2,283*	*Dr. 882*	...	...	...	*Dr. 1,000*	118	*Dr.* 1,900	
Kuala Pilah Rubber	Dec. 31	888	1,213	2,101	...	...	...	...	2,101	*Dr.* 2,900	
Mahawale Rubber and Tea	Dec. 31	*Dr. 615*	*Dr. 2,630*	*Dr. 3,245*	...	...	...	*Dr. 2,327*	*Dr. 918*	*Dr.* 5,746	
Rambutan Rubber	Dec. 31	...	*Dr. 8,734*	*Dr. 8,734*	...	...	...	...	*Dr. 8,734*	...	
Rembau Jelei Rubber	Dec. 31	31,443	*Dr. 2,383*	29,060	...	...	...	...	29,060	6,900	
Riverside (Selanger) Rubber	Dec. 31	1,400	3,100	4,500	...	...	...	1,000	3,500	*Dr.* 1,600	
Rosehaugh Company.....	Dec. 31	16,377	*Dr. 1,762*	14,615	...	...	...	*Dr. 2,500*	17,115	16,700	
Scottish Malay Rubber.....	Dec. 31	1,298	4,429	5,728	...	...	...	1,000	4,728	*Dr.* 3,350	
Seafield Rubber	Dec. 31	20,588	*Dr. 1,337*	19,251	...	...	...	1,284	17,967	*Dr.* 4,687	
Sungei Kruit Rubber	Dec. 31	3,671	*Dr. 1,034*	2,637	...	...	...	...	2,637	*Dr.* 2,800	
Sungei Salak Rubber.....	Dec. 31	5,720	*Dr. 3,203*	2,517	...	...	...	*Dr. 1,000*	3,517	2,650	
Sungei Siput Rubber	Dec. 31	12,820	*Dr. 139*	12,681	...	...	...	*Dr. 1,106*	13,785	*Dr.* 3,800	
Shipping.											
Houlder Brothers and Co....	Dec. 31	17,908	66,970	84,878	5,550	64,000	8†	...	15,328	80,210	
India General Navigation...	Dec. 31	26,598	*Dr. 7,635*	18,963	12,202	...	...	...	6,761	48,467	
Shops and Stores.											
Marks and Spencer	Mar. 31	53,106	670,117	723,223	105,000	279,511	35	285,310	53,402	476,072	
Tea.											
Alliance Tea Co. of Ceylon..	Dec. 31	6,983	15,705	22,688	...	11,250	7½	4,000	7,438	17,900	
British Darjeeling Co.	Dec. 31	3,972	9,358	13,330	...	7,920	11	1,500	3,910	18,050	
Craighead Tea Co.	Dec. 31	8,487	11,253	19,740	482	10,800	15	...	8,458	19,901	
Eastern Produce and Estates	Dec. 31	25,633	47,758	73,391	...	33,300	10	10,000	26,491	102,900	
Ederapolla Tea of Ceylon....	Dec. 31	1,329	*Dr. 1,451*	*Dr. 122*	...	...	...	*Dr. 500*	378	*Dr.* 1,311	
Imperial Ceylon Tea Estates	Dec. 31	7,514	6,941	14,455	...	3,000	3	3,000	8,455	11,853	
Mayfield (Dimbula) Tea	Dec. 31	7,980	11,342	19,322	1,980	6,130	20	2,500	8,712	14,454	
Talawakelle Estates Co. ...	Dec. 31	4,707	11,064	15,771	1,567	10,842	30	...	3,362	...	
Trust.											
Alliance Investment Co. ...	Apr. 15	24,013	42,704	66,717	19,913	15,750	7	...	31,054	58,400	
Continental Union Trust ...	Mar. 31	4,872	50,327	55,199	22,125	22,500	5	...	10,574	50,100	
Home and Foreign Invest...	Mar. 31	15,906	23,840	39,746	16,687	6,787	3	...	16,272	37,600	
Rubber Plantations Invest.	Dec. 31	100,627	1,875	102,502	...	...	...	...	102,502	157,800	
Scottish and Canadian General Investment.....	Mar. 31	3,963	25,306	29,269	11,156	10,500	7	3,000	4,613	29,400	
Scottish Mortgage and Trust	Mar. 31	11,597	105,275	116,872	29,531	64,687	11½	10,000	12,654	120,115	
Third Scottish National	Mar. 31	19,760	31,021	50,781	16,690	4,532	2	...	29,559	41,000	
Waterworks.											
Montevideo Waterworks Co.	Dec. 31	155,322	55,587	210,909	...	...	...	20,000	190,909	113,500	
Other Companies.											
Abdulla and Co.....	Dec. 31	6,228	61,470	67,698	20,000	40,000	13½	...	7,698	80,000	
British Match Corporation	Apr. 30	94,789	442,597	537,386	21,950	371,250	6†	90,000	54,186	441,300	
Compton, J., Sons and Webb	Dec. 31	5,870	54,684	60,554	8,400	31,500	22½	13,500	7,154	80,700	
Craig and Rose.....	Mar. 31	4,065	10,079	14,144	5,000	4,000	4†	...	5,144	6,000	
Dunlop Cotton Mills	Dec. 31	5,257	246,756	252,013	109,688	80,000	32	56,932	5,393	151,400	
Dunlop Rubber Co.	Dec. 31	568,023	480,029	1,048,052	281,250	...	...	374,943	391,859	541,400	
Egyptian Markets, Ltd.....	Dec. 31	14,822	20,705	35,527	...	{ 17,470	10	...	15,814	90,000	
						{ 2,243	(*l*)				
Gossage (William) and Sons	Dec. 31	33,251	299,727	332,978	71,250	192,500	27½	15,439	53,789	881,500	
Inveresk Paper Company....	Dec. 31	65,719	22,267	87,986	...	...	...	...	87,986	110	
Liverpool Storage Co.	Mar. 31	13,601	2,556	16,157	...	3,374	10	...	12,783	6,900	
Lockwood's Clean Coal.....	Dec. 31	*Dr. 19,299*	*Dr. 16,241*	*Dr. 35,540*	...	...	...	...	*Dr* 35,540	*Dr* 14,000	
Melbourne, Hart and Co.....	Dec. 31	8,123	21,530	29,653	6,750	12,000	20	3,603	7,300	80,000	
Spillers, Ltd.....	Jan. 31	129,546	475,480	605,026	51,436	{ 203,725	15 (*m*)	125,000	162,405	370,000	
						{ 62,460	10 (*n*)				

† Free of income tax. (*m*) Ordinary shares. (*n*) Deferred shares. (*l*) £7 9s. 6½d. per share on deferred shares.

OIL OUTPUTS.

BRITISH CONTROLLED OILFIELDS, LTD.—Production for the week ended April 30th:—Venezuela, 38,858 barrels; Trinidad, 35,490 barrels; total, 74,348 barrels. Production for the week ended April 23rd: Venezuela, 38,335 barrels; Trinidad, 40,868 barrels; total, 79,203 barrels.

LOBITOS OILFIELDS LIMITED.—The production of the Peruvian company for February is cabled as 21,701 tons. The production of the Peruvian company for March is cabled as 23,408 tons.

THE MEXICAN EAGLE OIL COMPANY, LIMITED.—Production for the week ended March 5, 1932, was 242,000 barrels. Production for the week ended March 12, 1932, was 239,000 barrels. Production for the weeks ended March 19 and 26, 1932, was 241,000 barrels and 235,000 barrels respectively. Production for the week ended April 2, 1932, was 236,000 barrels. Production for the week ended April 9, 1932, was 248,000 barrels. Production for the week ended April 16, 1932, was 248,000 barrels. Production for the week ended April 23, 1932, was 260,000 barrels.

Commercial Reports.

MARKET SUMMARY.

In view of the continued deterioration in the international economic situation, coupled with a progressive shrinkage in the demand for raw materials, the movement of prices is still in a downward direction. With the exception of tin, whose advance has been caused by the probability of a further drastic restriction of supplies, non-ferrous metals were weak in New York. Rubber has been a little steadier but cotton slumped heavily, following the recommendation of the American Cotton Advisory Bureau to the Farm Board to adopt a sales policy in regard to the stabilisation holdings. Among cereals, wheat, maize and rye all show declines on the week. Coffee and cocoa showed some improvement, but sugar was again cheaper owing to the small demand from American refiners. Sterling quotations, which lend themselves to hedging and therefore to international arbitrage, moved in sympathy with gold prices, while others—particularly dairy produce and meat—continued to decline. According to various reports from industrial centres, the coal trade is increasingly hampered by foreign import restrictions, while iron and steel has so far made little headway. The fall in the raw material has dislocated business in cotton manufactures. The wool trade is still fairly active, while activity in the rayon trade, though slightly smaller than at the beginning of the year, is still satisfactory.

THE COAL TRADE.

SHEFFIELD.—The South Yorkshire coalfield is experiencing a full share of the grave difficulties suffered by the coal industry which were outlined in the House of Commons this week. The position has been growing steadily worse since the beginning of the year. The problem of the export trade is the scarcity of foreign contracts and a shrinking of deliveries. Prices are weaker for best steams, although still quoted at 15s. 6d. to 16s. f.o.b. Industrial requirements are also below normal, and the proximity of summer prices is responsible for quietude in house coal. Best South Yorkshire house is quoted at 22s. and 22s. 6d. at pits. Business is far from brisk in furnace coke at 12s. to 12s. 6d. at ovens.

GLASGOW.—The Scottish coal trade is still without any encouraging features, new business continuing on disappointing lines, with prices just steady for the most part. Screened steam coals are slightly firmer for shipment from Fife and the Lothians, and among the washed doubles are in rather better demand. Export business is poor, with forward business almost at a standstill. Current quotations for the shipping trade are approximately as follows (f.o.b. district ports): LANARKSHIRE.—Ell best, 14s. 3d.; splint best, 15s. 6d.; splint second, 14s. 3d.; navigation, 15s.; navigation second, 14s. 6d.; Hartley, 15s.; steam, 13s. to 13s. 3d.; trebles, 11s. 6d.; doubles, 9s. 9d.; singles, 8s. 9d.; pearls, 8s. 6d.; [illegible] FIFE.—Screened navigation, 16s. 6d.; first-class steam, 12s. 9d.; third-class steam, 11s.; trebles, 11s. to 13s.; doubles, 10s. to 10s. 6d.; singles, 8s. 9d.; pearls, 8s. 6d. LOTHIANS.—Prime steam, 11s. to 11s. 6d.; secondary steam, 10s. 9d. to 11s.; trebles, 11s.; doubles, 9s. 9d. to 10s.; singles, 8s. 9d. to 9s.; pearls, 8s. 6d.; AYRSHIRE.—Unscreened navigation, 16s.; jewel, 16s. 6d.; steam, 13s.; trebles, 12s.; doubles, 10s.; singles, 9s. 9d.; pearls, 9s. 3d.; dross, 5s.

CARDIFF.—There has been no improvement this week in the state of the Cardiff coal market, and both the docks and the collieries have been only partly employed. The dock returns of the Great Western Railway Company show that on Wednesday less than [illegible] of the tips at Cardiff, Newport, Port Talbot and [illegible] were working, while from all the steam coal districts of [illegible] temporary stoppages have been reported. Prices [illegible] unchanged, but inquiries have been very [illegible] the past few days advices have been received [illegible] effect that the French Government is contemplating [illegible] measures on imports. The only gratifying [illegible] is that the contract commitments of [illegible] are fairly large, and the Customs returns [illegible] give total foreign shipments of 1,433,377 [illegible] 1,525,149 tons in March, and with 1,531,853 [illegible] month last year. The following are the [illegible]: Best Admiralties, 19s. 6d.; [illegible] best drys, 18s. 6d. to 19s.; Black [illegible]; Western Valleys, 17s. 9d. to 18s.; [illegible] to 17s. 7½d.; best small steams, 13s. 6d.; cargo smalls, 11s. 6d. to 12s. 6d.; coking smalls, 13s. 6d. to 13s. 9d.; anthracite, best large, 36s. to 38s. 6d.; Red Vein, large, 22s. 6d. to 27s. 6d.; machine-made cobbles, 40s. to 48s. 6d.; French nuts, 40s. to 48s. 6d.; stove nuts, 39s. 6d. to 42s. 6d.; rubbly culm, 8s. 3d. to 8s. 9d.; foundry coke, 32s. 6d. to 35s.; patent fuel, 19s. to 19s. 6d.; pitwood, ex ship, 18s. 9d. to 20s. 3d.

IRON AND STEEL.

MIDDLESBROUGH.—The demand for Cleveland iron continues slow, but the position is regarded as satisfactory, writes our correspondent, and a gradual improvement is confidently anticipated. The present make barely covers current requirements, and stocks are very low. Consumers are still holding off the market, and purchases do not extend more than a month or two ahead, but the market is being closely watched, and a change may occur very quickly. Possibly the fact that makers are able to make substantial concessions to Scotch consumers has something to do with local users holding back, but these concessions may be reduced or withdrawn altogether at any time, as the competition of other irons for the Scottish trade is not now so keen. There was a firm tone at the weekly market on Tuesday, but the business transacted was not of large volume, and consisted of moderate parcels to home consumers for early delivery. Official prices were unchanged, viz.:—No. 1, 61s.; No. 3, 58s. 6d.; No. 4 foundry, 57s. 6d.; and No. 4 forge, 57s., f.o.b. or f.o.t. In hematite, there is also very little forward buying, but sales of prompt lots are more numerous, and a further cargo of 1,000 tons has just been despatched to South Wales, which is a favourable feature, and gives encouragement to the hopes that this business may extend. Mixed numbers for early delivery are firm at 63s. 6d. per ton, but more is asked for forward, according to period. In the finished trades, more business is coming to hand in some departments, and indications point to a steady improvement all round. Prices for steel under the rebate scheme are unchanged at £8 15s. for plates; £8 7s. 6d., angles; and £8 15s., joists. Other products are: Iron Crown bars, £9 15s.; heavy steel rails, £8 10s.; 24-gauge galvanised corrugated sheets, £10; and 24-gauge black sheets, £8 5s., all for home use. There is no change in the ore market. New buying is still suspended, and deliveries against contracts are on a small scale. Best rubio is nominally 15s. 6d. c.i.f., and the freight Bilbao/Middlesbrough is about 4s. 9d. Imports of all kinds of ore into Middlesbrough during April totalled only 29,767 tons, against 38,617 tons in March. Coke remains in plentiful supply, and ordinary blast-furnace qualities can be obtained at 15s. 6d. delivered works. The number of furnaces in operation in the district remains at seventeen.

SHEFFIELD.—Conditions in the iron and steel branches fail to improve; in some sections sales and output have declined further. Tariff changes and uncertainties are militating against the placing of new business, and the requirements of the principal users of iron and steel remain far below the normal level. Specifications from railway, shipbuilding and engineer trades are disappointing. The only active sections are for stainless steel, alloy steels, cold rolled strip, motor parts and certain classes of tools. Improvements in trade resulting from tariffs and the position of sterling have not come up to expectations. Lincolnshire makers, however, seem confident of an early improvement in the demand for crude steel. Local firms are pressing for modifications of the tariff schedule as regards Swedish iron and steel, cutlery and tools. Progress is reported in the plating of metals with chromium, in scissors and safety razor blades. Several valuable Russian contracts for steel and machinery have been executed lately, and increased business with Russia is likely. Tool makers report a poor demand from the constructional trades. There is a good demand for cheap tools heretofore imported from the Continent.

GLASGOW.—At the steel plants business would seem to be quieter than ever this week, and only a very small proportion is in operation, and, as new work is almost invariably for small tonnages, there is considerable uncertainty as regards the immediate future. There have certainly been more inquiries on the market of late, and rather more business being done in steel structural material, but this, after all, is a relatively small item of production at the steelmaking plants, and there seems little hope of any great activity so long as there is

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such a poor demand for shipbuilding material. Most branches of the iron and steel trades in Glasgow and neighbourhood are quiet, including tube makers, re-rollers of light bars, &c., and sheetmakers. The latter, who have on the whole been better employed than most branches during recent months, are maintaining a steady home trade, but export business is not quite so satisfactory.

CARDIFF.—Since the withdrawal of the minimum price, quotations for tinplates have declined, and on the Swansea Metal Exchange on Tuesday they ranged from 14s. 6d. to 15s. per basis box. Business was comparatively quiet, and shipments last week totalled only 87,715 boxes, compared with 127,792 boxes the previous week, and 96,752 boxes in the corresponding period last year. Welsh bars are quoted at 95s. per ton net, and foreign bars at 82s. to 84s. per ton delivered. Galvanised sheets are easier at from £9 5s. to £9 7s. 6d. per ton f.o.b. for corrugated's in bundles.

OTHER METALS.

TIN.—The possibility of a two months' "shut-down" from June 1st on the lines advocated by the Tin Producers' Association, coupled with a further turn of the restriction screw, caused a sharp recovery in tin prices. It must be remembered, however, that at £126 per ton, the sterling quotation is still about £3 below the average of March last. In New York the metal was quoted at 22 cents per lb. on Wednesday, against 19·45 cents per lb. a week ago and 19·25 a month ago. Wednesday's official closing quotations in London, in terms of sterling for "standard" cash at £126 to £126 5s. per ton, compares with £114 10s. to £114 15s. on the corresponding day last week. Stocks in London and Liverpool at the end of last week, at 33,221 tons, show an increase of 220 tons on the week.

COPPER.—In the absence of any improvement in demand the market in copper was dull and prices remained weak. On Wednesday, "Domestic" spot was quoted at 5¼ cents per lb. in New York, against 5¼ cents a week ago, and 5¾ cents a month ago. Wednesday's official closing price for "standard cash" in London, in terms of sterling, at £30 3s. 9d. to £30 6s. 3d., compares with £30 5s. to £30 7s. 6d. a week ago. Stocks of refined copper in British official warehouses at the end of last week, at 20,635 tons, show a decrease of 336 tons, while stocks of rough copper, at 769 tons, are unchanged.

LEAD.—The market in lead, though inactive, was steady, as holders were loth to make concessions. In New York the metal was quoted at 3·00 cents per lb. on Wednesday, against 3·00 cents a week ago, and 3·00 cents a month ago. Wednesday's official closing quotation for "soft foreign" in London, in terms of sterling at £11 13s. 9d. per ton for shipment during the current month, compares with £11 12s. 6d. on the corresponding day last week.

SPELTER.—Although there was a further falling off in demand in the United States, the market in London was active, and prices show a slight rise on the week. Wednesday's quotation in New York, at 2·50 cents per lb., compares with 2·60 cents a week ago and 2·80 cents a month earlier. Wednesday's official closing quotation in London, in terms of sterling for "good ordinary brands," was £13 per ton for shipment during the current month, against £12 10s. a week ago.

OTHER NON-FERROUS METALS.—Among other non-ferrous metals the quotation for aluminium remained unchanged, at £95 per ton, while nickel advanced from £220–£225 per ton to £225–£230 per ton. Foreign antimony declined from £26–£26 10s. per ton to £26 per ton. Quicksilver was quoted at £16 per flask, against £16 10s.–£16 15s. a week ago. Platinum was maintained at £10 11s. per ounce.

TEXTILES.

THE COTTON TRADE.—Liverpool.—Imports for the week April 28th to May 4th (inclusive) are 43,896 bales, of which 21,576 are American, 83 Peruvian, 138 Argentine, 12,511 Egyptian, 2,326 African, 6,097 East Indian and 1,197 sundries.

Manchester.—Depressing reports have been given out in the Manchester market during the past week regarding the amount of business done in yarn and cloth. Owing to the easier tendency in raw-cotton prices, buyers have been content to look on, and it is only in isolated instances that business has been attempted. The turnover in piece-goods has been on a comparatively small scale. The usual styles of light bleaching fabrics have been in request for India and occasional transactions have taken place for Karachi and the up-country districts. There has been a little more price testing in dhooties for Calcutta, but Madras and Bombay have given no support worth mentioning. Only a scrappy sort of trade has been done for China and Hong Kong. Small transactions have been recorded for the remaining minor outlets. Manufacturers' order lists continue to run down. The turnover in American yarns has been below the output. Margins remain unsatisfactory. In the Egyptian section stocks are being kept down by the curtailment of production scheme. There has, however, been increased price irregularity. The general trade outlook remains very uncertain, and it is disappointing to record that no general improvement is in sight.

Cotton Prices.

	April 13.	April 20.	April 27.	May 4.	[illegible]	[illegible]
	d.	d.	d.	d.		
Raw Cotton—Mid. American ...... per lb.	4·91	4·90	[illegible]	[illegible]	[illegible]	[illegible]
" Sakellaridis Fully Good Fair Egyptian .... per lb.	6·50	6·60	[illegible]	[illegible]	[illegible]	[illegible]
Yarns—32's twist .... per lb.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
" 40's weft .... per lb.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
" 60's twist (Egyptian) ...... per lb.	14	14	14	[illegible]	[illegible]	[illegible]
	s. d.	s. d.	s. d.	s. d.		
32-in. Printers, 116 yds., 16 by 16, 32's and 50's	17 3	17 3	17 [illegible]	17 [illegible]	[illegible]	[illegible]
36-in. Shirtings, 75 yds., 19 by 19, 32's and 40's	19 4½	19 3	19 [illegible]	19 [illegible]	[illegible]	[illegible]
38-in. ditto, 38 yds., 18 by 16, 10 lb.	10 8	10 8	10 7	10 [illegible]	[illegible]	[illegible]
39 in. ditto, 37½ yds., 16 by 15, 8¼ lb.......	9 8	9 8	9 7	9 [illegible]	[illegible]	[illegible]

THE WOOL TRADE.—Bradford.—Since the [illegible] import duties on yarns and piece-goods a somewhat [illegible] tone has developed in Bradford, but, writes our correspondent, [illegible] has been due more to unrealised expectations than to any [illegible] in the prospect for wool. Indeed, there are many firms who [illegible] have quite as much confidence as ever in merinos, and who [illegible] looking for a maintenance of values for anything above 56's quality. Fine crossbreds and average merinos are the most popular [illegible] to-day, and as the Australian season is drawing to a close, [illegible] cannot now be any further big quantity of good combing [illegible] Firms anxious to buy raw material for standard merino tops [illegible] no big selection to work upon. Several of the buyers for the [illegible] importing firms have practically finished for this season, and [illegible] gratifying to find the end so near with such firmness in [illegible] cable information from Sydney and elsewhere reveals. [illegible] are still a disappointing proposition so far as visible [illegible] requirements are concerned. The chief consolation here is that [illegible] wool is very cheap, and it is understood that some further [illegible] have been made on Bradford account in South America [illegible] of 40–44's quality. So far as prices are concerned, the top [illegible] is no worse than before the lower duties came into force, but [illegible] a small amount of new business is being done in either [illegible] crossbreds. Spinners are complaining about increased short [illegible] due to the unwillingness of manufacturers to take up contracts.

THE GRAIN MARKETS.

WHEAT.—Nothing has happened to alter the international [illegible] situation during the past week. Prices moved within [illegible] limits, under the influence of varying crop reports. On [illegible] Chicago quotations show a slight drop on the week, which [illegible] occasioned by the improvement in climatic conditions in [illegible] America and in Northern Europe and by a temporary [illegible] Continental buying. Another adverse factor was the [illegible] tendency of Stock Exchange values in New York and in London. The British wheat crop, though still backward in growth, [illegible] benefitted by the recent improvement in weather conditions. [illegible] Wednesday, "May" futures were quoted at 54 cents per bushel [illegible] Chicago, against 56½ cents on the corresponding day last week, [illegible] 56 cents a month ago. Quotations in London, Wednesday: [illegible] Northern Manitoba, Vancouver, ex ship, 31s. 6d. per [illegible] compared with 33s. 6d. a week ago; No. 2 Northern [illegible] Vancouver, ex ship, 29s. 6d., against 30s. 9d.; No. 3 [illegible] Manitoba, Vancouver, ex ship, 28s. 6d., against 29s. 9d.; [illegible] ex ship, 28s. 3d. to 28s. 9d., against 28s. 6d. to 29s. 6d. a week ago.

WHEAT FLOUR.—Business in flour has been a little [illegible] North American shipments, at 213,000 sacks, showed an [illegible] of 38,000 sacks as compared with the previous week. Of this [illegible] 61,000 sacks have been consigned to Europe. Quotations [illegible] London, Wednesday: Straight run, delivered country, [illegible] of 280 lbs., as compared with 26s. last week; delivered [illegible] 25s., against 25s. Manitoba patents, ex store, 24s. 9d. to [illegible] against 24s. 9d. to 27s. 9d.; and Australian, ex store, [illegible] against 20s. 6d. to 22s. a week ago.

BARLEY.—Demand for feeding barley in this country and on the Continent has been on a small scale, and quotations gave way [illegible] points. On Wednesday, "May" futures were quoted at [illegible] per bushel in Winnipeg, against 41½ cents last week and [illegible] a month ago. Quotations in London, Wednesday: "[illegible] feeding," f.o.r., per 448 lbs., 28s., as compared with 28s.; [illegible] landed, 24s. per 400 lbs., against 24s. 6d. a week ago.

OATS.—Although Argentina continues to export [illegible] quantities of oats, the market has remained firm. "May" [illegible] which last week stood at 22¼ cents per bushel in Chicago, [illegible] 22½ cents per bushel on Wednesday this week, against [illegible] a month ago. Quotations in London, Tuesday: "River Plate," [illegible] landed, 19s. per 320 lbs., as compared with 19s. 3d. last week; "River Plate," ex ship, 18s., against 18s. 3d.; "Chilean White," landed, 26s., against 26s. a week ago.

MAIZE.—Though maize is still in good demand, [illegible] Continental countries, the increase in shipments from [illegible] caused a slight weakening in prices. Wednesday's [illegible] Chicago for "May" futures, at 31¼ cents, shows a [illegible] ¼ cent on last week, and a fall of 5¼ cents as compared with [illegible] price a month earlier. Quotations in London, Wednesday: "Plate," landed, 21s. 3d. per 480 lbs., compared with [illegible] week; "Plate," ex ship, 20s. 3d., as against 21s.; "Plate," [illegible] June, 18s. 9d., as against 19s. 6d. Yellow maize meal [illegible] was quoted at £6 per ton, against £6 a week ago.

COMPARATIVE AVERAGES OF GRAIN.—The following [illegible] the estimated sales of home-grown wheat during the [illegible] 1931–32, 1930–31, 1929–30, 1928–29:—

	1931-1932	1930-1931	1929-1930.	1928-1929.
Official sales of home-grown wheat—				
1 week to April 23	Cwts. 123,779	Cwts. 101,987	Cwts. 183,867	Cwts. 132,984
32 weeks to April 23	3,885,033	4,141,350	8,317,685	8,974,130
Average price of English wheat per cwt.	s. d. 5 0	s. d. 5 7	s. d. 8 11	s. d. 9 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1928 to 1931 :—

Weeks ended	Quantities Sold.			Average Price per Cwt.		
	Wheat	Barley.	Oats.	Wheat.	Barley.	Oats.
	Cwts.	Cwts.	Cwts.	s. d.	s. d.	s. d.
[illegible] 1932	121,433	27,186	25,794	6 0	7 10	7 6
[illegible] 1932	123,779	16,908	29,350	6 0	7 5	7 7
[illegible] 1931	278,138	56,229	37,442	10 5	11 1	12 2
[illegible] 1931	158,623	35,975	39,684	9 11	10 0	9 9
[illegible] 1930	151,749	48,855	21,810	9 0	7 10	6 8
[illegible] 1931	99,326	22,061	38,327	5 5	7 1	6 3

AMERICAN WHEAT MARKETS.—The following table shows the latest quotations in recent weeks with comparative figures for 1930 :

Chicago Futures.	Jan. 2, 1930.	Jan. 2, 1931.	May 6, 1931.	Jan. 4, 1932.	April 27, 1932.	May 4, 1932.
[illegible] (No. 1 Manitoba) [illegible] per 60 lb.	148⅛	56½	62½	62⅛	63	60⅜
[illegible] (No. 2 Winter)— [illegible] per 60 lb.	130⅛	79⅜	82½	55½	56⅛	54

The visible supply of wheat in Canada, at 65,634,000 bushels, shows an increase on the week of 785,000 bushels. Supplies a year ago stood at 61,279,000 bushels.

OTHER FOODS.

SUGAR.—In the absence of an expansion in the demand from refiners in the United States, the pressure of holders to realise raw sugar had a depressing influence on the market. "May" futures in New York were quoted at 0·51 cent per lb. on Wednesday, against 0·53 cent per lb. a week ago, and 0·72 cent per lb. a month ago. Wednesday's sales of "raws" include "May delivery" at 4s. 5d. per cwt., against 4s. 5d., and "December," at 4s. 8½d. & 4s. 8¾d., against 5s. 1d. to 5s. 1½d. on the corresponding day last year. The movements of raw sugar in London and Liverpool during last week are set out in the table below :—

	Imports.		Deliveries.		Stocks.	
	1932.	1931.	1932.	1931.	1932.	1931.
	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
London	1,367	1,950	892	2,468	7,227	29,985
Liverpool.....	28,816	20,434	13,971	19,576	102,945	69,561
Total tons	30,183	22,384	14,863	22,044	110,172	99,546
Last week	24,266	3,019	16,133	18,745	94,852	99,206

COFFEE.—Movements in the New York coffee market have been irregular, but, on balance, quotations show a slight improvement on the week. The London auctions were characterised by a steady demand for good qualities at firm prices. Last week's movements in London were as follows: Brazilian, landed, 22 bags; delivered for home consumption, 261 bags; exported, 112 bags; stocks, 2,612 bags, against 2,254 bags last year. Central American, landed, [illegible] packages; delivered for home consumption, 2,545; exported, 1,451; stocks, 130,479 packages, against 123,905 a year ago. Other kinds, landed, 3,371 packages; delivered for home consumption, 2,469; exported, 688; stocks, 106,130 packages, against 101,720 a year ago.

COCOA.—After the recent reaction, the market in cocoa was more active and prices advanced, both in New York and London, to the highest point of the month ago. "May" futures were quoted at 4·09 cents per lb. in New York on Wednesday, against 3·95 cents per lb. on the corresponding day last week, and 4·12 cents a month ago. As compared with the corresponding day last week, Wednesday's quotation for Accra, prompt shipment, new crop, May-June, at 24s. per cwt., f.o.b., London [illegible] a rise of 6d. per cwt. on the week. Last week's movements of cocoa in London were as follows: Landed, 9,551 bags; delivered for home consumption, 17,775 bags; exported, [illegible] bags, as against 220,616 last year.

TEA.—Auctions were resumed this week. The quantities offered at this week's auction comprise 56,824 packages of Ceylon, and 12,443 packages of Java [illegible]. Wednesday's Indian auctions opened with a good demand at prices, which were maintained on Tuesday and [illegible]

RICE.—The market in rice was steady, and the improvement in [illegible] maintained. Wednesday's "spot" price, at [illegible] no change on last week, while forward positions [illegible] advances of 6d. per cwt. Movements in London [illegible] were as follows: Landed, 570 tons; delivered. [illegible] tons, as against 635 tons last year.

SPICES.—Trading in the principal markets have again been [illegible] and prices remained unchanged. [illegible] "Best King Edward" sold from 12s. to [illegible] with 13s. to 13s. 6d. per cwt. a week [illegible]

PEPPER.—The market has been quiet, and quotations [illegible] Wednesday's quotation for "Black Singapore" pepper at 6½d. per lb., shows a fall of ½d. on the week. Movements of pepper in London during the past week were as follows: Black, landed, 20 tons; delivered, 14 tons; stocks, 353 tons, against 556 tons last year. White, landed, 48 tons; delivered, 75 tons; stocks, 663 tons, against 765 tons a year ago.

MEAT.—There has been no recovery in meat prices during the past week. At the Smithfield Market beef prices were generally unchanged, but New Zealand mutton was a shade easier, and pork was cheaper. On Wednesday, Argentine beef (chilled hindquarters) was sold at 3s. 10d. to 4s. 4d. per 8 lbs., against 3s. 10d. to 4s. 4d. on the corresponding day last week, while New Zealand frozen mutton realised 2s. 6d. to 3s. 4d., as against 2s. 6d. to 3s. 6d. a week ago. According to the Smithfield Market official report, supplies of meat during last week amounted to 9,089 tons, as compared with 9,722 tons in the corresponding week last year. Imported beef, principally Argentine, formed 83·3 per cent. of the supplies, as against 84·9 per cent. a year ago; and imported mutton, mainly New Zealand, formed 83·1 per cent. of the total supply, as against 85·2 per cent. last year.

MISCELLANEOUS COMMODITIES.

VEGETABLE OILS AND OILSEEDS.—Extremely quiet conditions rule in practically all sections, and prices generally have a weaker tendency. Exchange fluctuations and a poor trade in oil and oil-cakes have affected business in oilseeds. Linseed, in sympathy with wheat, has declined to former low levels. Plate, May shipment, offering at £7 15s. The current value of seed on passage is the same, and June shipment is around £7 17s. 6d. No interest is taken in Indian linseed, and prices are purely nominal. Shipments from Argentina are again on a modest scale. The quantity afloat for Europe is 140,800 tons (including 6,300 from India) or 4,500 tons less than last week, and comparing with 203,600 tons a year ago. Cottonseed remains dull, and in the absence of demand, prices have fallen. Egyptian (black) afloat offering at £5 12s. 6d., and shipment £5 15s. to £5 17s. 6d. Trade in vegetable oils is at a low ebb, demand being almost negligible in spite of almost record cheapness. Linseed oil is in very small request, and easier in sympathy with seed raw oil for May-August delivery quoting £12 10s. per ton naked ex Hull mill. Cotton oil is largely nominal with crude Egyptian ex Hull obtainable at £19, and refined at £21. Oilcakes and meals are in slow request, and are slightly less money.

HIDE, LEATHER AND ALLIED TRADES.—There was no change in the prices realised for ox and heifer, cow and bull hides at the sales held in Manchester this week, but all calfskins were unsold.

COMMERCIAL TIMES—WEEKLY PRICES CURREN[T]

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, WEDNESDAY.

CEREALS AND MEAT.

	s.	d.	s.	d.
GRAIN, &c.—				
Wheat—				
No. 2, N. Man. 496 lb.	29	6		
Eng. Gaz. av., per cwt.	6	0		
Barley, Eng. Gaz. av.	7	5		
Oats, " "	7	7		
Maize, La Plata, landed 480 lb.	21	3		
Flour, Lon. stan. ex mill, 280 lb.	23	9		
Rice, No. 2 Burma, per cwt.	9	3		
Tapioca, per cwt.—				
Fine Java, spot	27	0		
Fair Flake, Singapore	10	6		
MEAT—				
Beef, per 8 lbs.—				
English long sides	4	10	5	8
Argentine chilled hinds	3	10	4	4
Mutton, per 8 lbs.—				
English wethers	4	0	5	0
N.Z. frozen "	2	6	3	4
Pork, English, per 8 lbs.	4	6	5	2

OTHER FOODS.

	s.	d.	s.	d.
BACON—				
Irish .... per cwt.	88	0		
Danish	58	0		
Dutch	54	0		
HAMS—				
Canadian	72	0		
American	76	0	80	0
BUTTER—				
Australian	96	0	98	0
New Zealand	96	0	98	0
Danish	110	0		
CHEESE—				
Canadian ...... per cwt.	68	0	74	0
New Zealand	59	0	59	6
English Cheddars	94	0	110	0
Dutch	44	0	54	0
COCOA— (Duty, British grown, 11s. 8d.; foreign, 14s. cwt.).				
Accra, f.f. ......per cwt.	23	0	28	0
Trinidad	40	0	48	0
Grenada	32	0	39	0
COFFEE— (Duty, British grown, 11s. 8d.; foreign, 14s. cwt.).				
Santos supr., c. & f. cwt.	59	0		
Colombian, good	70	0	90	0
Costa Rica, med. to good	75	0	112	0
East Indian " " "	85	0	115	0
Kenya, medium	80	0	102	0
EGGS—				
English ......per 120	9	0	9	9
Danish	9	3	9	6
FRUIT—				
Oranges—				
South African ...boxes		...		
Brazilian	9	0	12	0
Lemons, Sicilian ...boxes	12	0	15	0
" ...cases	12	0	20	0
Malaga ...cases 420 No. 1		...		
Apples: Amer.(var.) brls.		...		
" (var.) boxes	10	0	11	0
" Australian	9	0	14	6
Onions:—				
Valencia, case, 4s.		...		
Egyptian Bags	10	0	11	0
Grapes, Lisbon ... boxes		...		
" Almeria ...brls.		...		

	s.	d.	s.	d.
LARD—				
Irish bladders	56	0	72	0
American, boxes, 56 lbs.	39	0	41	0
POTATOES—				
Good English, per cwt.	12	0	13	6
SPICES—				
Pepper, per lb.—				
Muntok, fair White	0	6½		
Black Lampong	0	6¼		
Cinnamon—1st sort, per lb.	0	7½		
Cloves—Zanzibar per lb.	0	7½		
Ginger—per cwt.—				
African	23	0		
Jamaica, ord. to good	55	0	85	0
Mace ....per lb.	0	10	1	11
Nutmegs 65s	1	4		
SUGAR— (Duty, 11s. 8d. per cwt.).				
B.W.I., crystallised	17	9	20	0
Java, white, c. & f. India March-April	7	9		
REFINED—London—				
Yellow Crystals	17	4½		
Cubes	21	9	23	3
Crushed	19	9	20	3
Granulated	17	6½	18	7½
Home Grown	17	6	17	7½
TEA—				
Indian—per lb.—				
Pekoe	0	6½	1	0
Broken Pekoe	0	6½	2	0
Orange Pekoe	0	6½	1	5½
Broken Orange Pekoe	0	7	2	11
Ceylon—per lb.—				
Pekoe	0	6½	2	10
Broken Pekoe	0	7	2	4
Orange Pekoe	0	9	2	9
Broken Orange	0	8	3	4½
TOBACCO— (Duty 9/6–10/6½ per lb., Empire growths, 7/5½–8/3½ per lb.)				
Virginia leaf—				
Common to fine	0	10	3	0
Rhodesian leaf	0	10	1	6
Nyasaland leaf	0	9	1	6
" strips	0	10	1	8
East Indian leaf	0	4	0	8
" strips	0	5½	1	3

TEXTILES.

COTTON—				
Mid-American ...... per lb.	4·57			
Sakellaridis, f.g.f.	6·25			
Yarns, 32's twist	8			
" 60's twist	14			
FLAX—	£	s.	£	s.
Livonian ZK ...... per ton	45	0		
Pernau HD	43	0		
Slanets Medium 1st sort	48	0	49	0
HEMP—				
Italian P.C. ......per ton	43	0		
Manila, May–June "J 2"	17	10		
Sisal, African, May–June	13	5	14	5
JUTE—				
Native 1st mks. ... per ton c.i.f. H.A.R.B. April–May	£16/0/0			
Daisee 2/3 c.i.f. Dundee... April–May	£15/15/0			
SILK—	s.	d.	s.	d.
Canton ....per lb.	7	0	8	6
Tussah	3	6	4	6
Japan	7	0	9	0
Italian—raw, fr. Milan	8	0	10	6

	d.
WOOL—	
English Southdowns, washed per lb.	11½
" Lincoln hog, washed	8½
Queensland, scd. super combg.	18
N.S.W. greasy, super "	10
N.Z., gray., half-bred 50–56	9
Tops— Crossbred 40–44	4½
Merinos 70's	23½
" 64's	21½
Crossbred 48's	10
" 46's	9

MINERALS.

	s.	d.	s.	d.
COAL—				
Welsh, best Ad'ty ...ton	19	6		
Durham, best gas, f.o.b. Tyne	14	6		
Sheffield, best house, at pits	22	0	22	6
IRON AND STEEL—				
Pig, Cleveland No. 3, ton	58	6		
Bars, M'brough	195	0		
Steel Rails, heavy	170	0		
Tin Plates, per box	14	6	15	0
METALS—	£ s. d.		£ s. d.	
Copper, Electrolytic, ton	34/0/0		36/0/0	
Sheets (strong)	63/0/0			
Standard	30/3/9		30/6/3	
Lead Eng. Pig. ...per ton	13/5/0			
Soft Foreign	11/13/9			
Spelter G.O.B.	13/0/0			
Tin—English ingots	128/10/0			
Standard cash	126/0/0		126/5/0	

MISCELLANEOUS.

CHEMICALS—	s.	d.	s.	d.
Acid, citric, per lb. less 5%	1	1½	1	1½
Nitric	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	1½	1	1½
Alcohol, Plain Ethyl	13	0		
	£	s.	£	s.
Alum, lump ....per ton	9	0	9	10
Ammonia, carb. ....ton	36	0	38	0
Sulphate	7	0	7	10
Arsenic, lump ...... per ton	35	0	40	0
Bleaching powder, per cwt.	7/10/0		6/12/6	
	s.	d.	s.	d.
Borax, gran. ...... per cwt.	13	0		
Do. powder	14	6		
Nitrate of Soda ... per cwt.	9	0	9	6
Potash—Chlorate, net	0	3½	0	3½
Sulphate ....per cwt.	10	0	11	0
Sal-Ammoniac ... per cwt.	42	6	45	0
Soda Bicarb. ...... per cwt.	9	0	10	6
Crystals .... per cwt.	5	0	5	3
	£	s.	£	s.
Sulphate of Copper, per ton	18	10	19	10
CEMENT, London—	s.	d.	s.	d.
Portland, best Eng. pr. ton				
In jute sacks (11 to ton)	44	9	46	9
In free paper bags (20 to ton)	46	0	48	0
COPRA—	£ s. d.			
S.D. Straits c.i.f., per ton	14/17/6			
Smoked South Sea	13/10/0			
DRUGS—				
Camphor—	s.	d.	s.	d.
Japan, refined ... per lb.	2	6	2	7
Castor-oil .... per lb.	85	0	95	0
Ipecacuanha ....per lb.	5	3		
Peppermint, Wayne Co.				
HIDES— per lb.	9	3	9	6
Wet salted—Australian per lb.	0	4	0	4½
West Indian	0	3	0	0
Cape	0	3	0	3½
Dry and Drysalted Cape	0	4½	0	5½

Market Hides, ...
Best heavy ...
Best cow ...
Best calf ...
INDIGO—
Bengal ...
LEATHER—
Sole Bends ...
per lb. ...
Bark Tanned ...
Shoulders ...
Do. ...
Bellies ...
Do. ...
Dressing Hides ...
Ro. Eng. Calf ...
Aust. Bends ...
VEGETABLE OILS—
Linseed, naked ...
Rape, refined ...
Cotton-seed, crude ...
Coconut, crude ...
Palm ...
Oil Cakes, Linseed ...
per ton ...
Oil Seeds—Linseed ...
La Plata ...
May-June ...
Calcutta—per ton ...
Turpentine, per cwt. ...
PETROLEUM PRODUCTS—
Motor spirit, No. 1, London ...
Petroleum, Amer. ...
brl. London ...
Fuel oil, in bulk, ...
ex'ments, ...
Thames—
Furnace ...
Diesel ...
Lubricating oil ...
London—per ton ...
Pales ...
Reds ...
Cylinder ...
ROSIN—
American ...
RUBBER—
St. ribbed smoked sheet ...
per lb. ...
Fine Hard Para ...
SHELLAC—
TN Orange ...
SHELLS—
W. Aust. M.o.-P. ...
TALLOW—
London Town ...
TIMBER—
Swedish u/s 3 x 9 ...
Can'dn Spruce, ...
Pitchpine ...
Rio Deals ...
Teak ...
Honduras Mahg. logs ...
African ...
Amer. Oak Boards ...
" Ash ...
English Oak Planks ...
" Ash ...

Generally speaking, the tone of the market is a trifle better, and the feeling is gaining ground that values are round about their lowest point. The same cannot be said, however, of conditions in the market for foreign hides, as with the very limited amount of business passing, the tendency of values for many sorts has again been in favour of buyers. For instance, in South American wet-salted hides business has been done in B.A. Frigorific ox at a fraction over 3¼d., while Uruguays have changed hands at 3¼d. The market for dry hides from the same source is weak, present ruling prices for B.A. Americanos being 4½d., while Inservibles are offered at 2½d., Sierra Cordobas at 5½d., and M.V. Americanos at the same figure. The tendency of quotations in regard to Africans is lower; dry Capes are obtainable at 5½d. and 4½d. for first and seconds, while 4½d. and 3½d. are the prices mentioned for dry salted 20/30 lbs. Unbathed Adis Abebas are still offered at from 4½d. to 5d., while the price for Mombasas is round about 4½d. Very little business has been done in Australians at the figures being quoted. In some sections of the leather trade a trifle more interest has recently been taken in the market, but turnover for the time of the year is still very restricted. Regarding sole leather, orders for light and medium weight dry hide bends have been rather less frequent, but this to some extent has been counterbalanced by increased enquiry for the heavier weights. Demand for English and wet-salted bends has again been confined in the main to mediums, in addition to which there has been a moderate call for lighter averages. Some improvement has been experienced in the call for rough shoulders, but other descriptions of offal have been a quiet sale. Business in connection with upper leathers has been centred mainly on glacé kid in black and brown, while there has been a steady inquiry for small parcels of box and willow calf and patent leather. Fancy upper stock is a moderate market, the best trade being done in reptile skins at low figures.

RUBBER.—The markets in rubber have been a little more active during the past week, and quotations showed a firmer tendency. In New York, Wednesday's spot price for rubber at 3¼ cents per lb. shows a rise of ⅛ cents per lb. on the week. Wednesday's official closing price for standard ribbed smoked sheet in London, at 2d. per lb., shows a rise of 1/16d. per lb., as compared with ... sponding day last week. In forward positions, business ... done at 2 1/16d. to 2 1/8d. for October-December, as ... week ago. Movements of rubber in London and Liv... the past week were as follows: Landed, 1,464 tons; ... tons; stocks at the end of last week, at 123,330 tons, ... of 1,451 tons as compared with the preceding week.

COMMODITY PRICES IN THE UNITED ...

(New York quotations, unless otherwise ...)

	Apl. 6. Cents.
Wheat, No. 2, Winter, nearest future, Chicago, per bushel	56
Maize, nearest future, Chicago, per bushel	35¼
Oats, nearest future, Chicago, per bushel	24
Rye, nearest future, Chicago, per bushel	46
Coffee, Rio No. 7, cash, per lb.	7¼–7⅜
" Santos No. 4, cash, per lb.	9¼–9⅜
Cocoa, Accra, nearest future, per lb.	4·12
Sugar, Cuban Centrifugals, 96 deg., spot, per lb.	2·61
Cotton, middling, spot, per lb.	6·10
Rubber, smoked sheet, spot, per lb.	3¼
Petroleum, Pennsylvania crude, standard grades, per barrel	155–170
Copper, "Electrolytic," Domestic, spot, per lb.	5¼
Copper, "Electrolytic," Copper Exporters, Inc., spot, per lb.	6¼
Spelter, East St. Louis, spot, per lb.	2·90
Lead, spot, per lb.	3·00
Tin, "Straits," spot, per lb.	19·25